Daily Report

Central Eurasia

FBIS-SOV-93-018
Friday
29 January 1993

Daily Report
Central Eurasia

FBIS-SOV-93-018 *29 January 1993*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

ARMS CONTROL & DISARMAMENT

FIS Examines Proliferation of Nuclear Weapons *[ITAR-TASS]* 1
Countries With Weapons Listed *[INTERFAX]* 1
Ukraine's 3 Conditions on Nuclear Arms Withdrawal *[KOMMERSANT-DAILY 27 Jan]* 2

INTERNATIONAL AFFAIRS

Details of Nazarbayev Speech at Industrialists' Congress *[PRAVDA 28 Jan]* 3

INTERREGIONAL AFFAIRS

New Black Sea Fleet Commander Assumes Duties *[ITAR-TASS]* 4
ITAR-TASS Carries Press Review for 29 Jan 4

RUSSIA INTERNATIONAL AFFAIRS

Yeltsin Continues Official Visit to India 5
Treaty Signed *[ITAR-TASS]* 5
Military, Industrial Cooperation *[INTERFAX]* 6
Indian Official Comments *[ITAR-TASS]* 7
Yeltsin Dinner Speech *[ITAR-TASS]* 7
Further Yeltsin Remarks *[Moscow TV]* 8
Trip Marks 'New Way' in Ties *[ITAR-TASS]* 8
Support Over Kashmir *[Moscow TV]* 9
Kozyrev, Indian Counterpart Meet *[Radio Rossii]* 9
Preliminary Military Accord Signed *[Radio Rossii]* 9
Yeltsin 'Satisfied' With Visit *[ITAR-TASS]* 9
Yeltsin Address on Asia Policy *[ITAR-TASS]* 9
Yeltsin, Rao News Conference *[ITAR-TASS]* 10
Provisions of Agreements Outlined *[IZVESTIYA 29 Jan]* 11
Yeltsin Leaves for Home *[ITAR-TASS]* 12
Primakov Presents Report on Arms Proliferation *[ITAR-TASS]* 12
Further Report *[Moscow Radio]* 12
'Pragmatic' Approach Taken *[KOMSOMOLSKAYA PRAVDA 29 Jan]* 13
DPRK Weapons Plans *[Seoul YONHAP]* 13
'Transcript' of 3 Jan Bush-Yeltsin Meeting *[DEN 17-30 Jan]* 14
Official Comments on Pickering's Appointment *[INTERFAX]* 17
Pickering Profiled *[IZVESTIYA 28 Jan]* 17
Kozyakov Reviews U.S. Foreign Policy on Russia *[Moscow International]* 18
Ministry Reportedly Pushing for Iraqi Oil Imports *[INTERFAX]* 18
Russian Volunteers To Fight for Iraq Against U.S. *[Prague LIDOVE NOVINY 26 Jan]* 18
Draft Agreement Approved on Elimination of Nuclear Arms *[INTERFAX]* 19
NATO's Shalikashvili Visits, Holds Talks *[KRASNAYA ZVEZDA 28 Jan]* 19
Meets Rutskoy *[ITAR-TASS]* 20
Chernomyrdin Leaves for Economic Meeting in Switzerland *[ITAR-TASS]* 20

RUSSIA NATIONAL AFFAIRS

Political Issues

Zorkin on Court's 'Peacemaker' Role *[IZVESTIYA 28 Jan]* 21

Khasbulatov Calls For General Elections in Spring 94 *[NEZAVISIMAYA GAZETA 29 Jan]* 22
Security Ministry Worried by Possible Nuclear Blackmail *[INTERFAX]* 23
Opposition's Baburin on Domestic, International Issues *[INTERFAX]* 23
Paper Comments on Chernomyrdin Apparatus Reshuffle
[KOMSOMOLSKAYA PRAVDA 28 Jan] 24
Accused Putchists' Trial To Start 14 Apr *[MOSKOVSKAYA PRAVDA 27 Jan]* 24
Poptsov Interviewed on Yeltsin TV Edict *[ROSSIYSKIYE VESTI 27 Jan]* 24

Economic Issues

Vice Premier Fedorov on Bank, Currency *[INTERFAX]* 26
'Targeted Programs' Given Economic Priority *[ROSSIYSKAYA GAZETA 29 Jan]* 27
Privatization Press Conference Held *[IZVESTIYA 28 Jan]* 28

Military Issues

Plans To Set Up Military Militia Outlined *[IZVESTIYA 20 Jan]* 29
Army To Reinforce Militia on Moscow Streets *[MOSKOVSKIY KOMSOMOLETS 29 Jan]* 30
Finance Minister: Costs of Maintaining Army Increasing *[ITAR-TASS]* 30
Conservative Parliamentary Faction Examines START *[KOMMERSANT-DAILY 28 Jan]* 31

Supreme Soviet

Chernomyrdin, Nechayev Address Supreme Soviet 31
Chernomyrdin Speech *[Moscow TV]* 31
Chernomyrdin Answers Questions *[INTERFAX]* 35
Political Leaders Comment *[INTERFAX]* 35
Nechayev Address on Economic Trends *[Russian TV]* 36
Chernomyrdin, Nechayev Speeches Assessed *[Radio Rossii]* 37
Further on Speeches *[IZVESTIYA 29 Jan]* 38
Kozyrev Outlines Foreign Policy Aims, Achievements *[ROSSIYSKIYE VESTI 28 Jan]* 38
Kozyrev Briefs Media on Foreign Policy Hearings *[KRASNAYA ZVEZDA 28 Jan]* 39
Khasbulatov Calls for Postponement on Budget Passage *[INTERFAX]* 39
Deputy Reviews 'Difficult' Budget *[ITAR-TASS]* 40
Further Pochinok Comment *[INTERFAX]* 40
Parliament Gives Government Deadline *[ITAR-TASS]* 40
Executive Committee Member Sterligov Interviewed *[INTERFAX]* 41

Regional Affairs

Peacekeepers To Remain in North Ossetia, Ingushetia *[ITAR-TASS]* 42
State of Emergency Extended *[ITAR-TASS]* 42
Vice Premier Comments *[INTERFAX]* 42
Delegation Drafts Final Protocol on Chechnya Relations *[INTERFAX]* 43
Dudayev Disavows Delegation *[INTERFAX]* 43
Negotiations Halted for Two Weeks *[INTERFAX]* 43
Nationalities Council Head Comments *[INTERFAX]* 43
Speaker Reemphasizes Delegation Authority *[Moscow Radio]* 44
Tatarstan-Russia Ties Must Be Constitutionally Based *[KRASNAYA ZVEVDA 26 Jan]* 44
Demonstrators in Tatarstan Protest Conscriptions in Kazan *[INTERFAX]* 44
Moscow Mayoral Candidates Portrayed *[NEZAVISIMAYA GAZETA 28 Jan]* 44
EFP Candidate on Policies *[INTERFAX]* 46

UKRAINE

International Affairs

Kiev Radio on Kravchuk-Clinton Phone Conversation *[Kiev International]* 47
Ministry Investigating UN Sanction Violations *[Kiev TV]* 47
IZVESTIYA Investigates *[28 Jan]* 47
Agreement Signed With Turkmenistan on Fuel Trade *[ITAR-TASS]* 47

Russia Planning To Open Consulates in Ukraine *[Kiev International]* 48

National Affairs

Security Council Meets on Nuclear Energy Program *[INTERFAX]* 48
Kravchuk Urges Cooperation With Representative Bodies *[Kiev TV]* 48
Kravchuk Pledges State Support for Railroads *[Kiev TV]* 48
Supreme Council Session Continues 27 Jan *[Kiev TV]* 49
National Bank Chairman Appointed *[IZVESTIYA 28 Jan]* 49
Sixth Session Ends *[Kiev TV]* 50
Allegiance to Republic Taken By 10 Percent of Fleet *[ITAR-TASS]* 50
Ukraine Planning Large Oil Tanker Fleet *[Moscow TV]* 50

WESTERN REGION

Belarus

Deputy Defense Minister on Weapons Export *[INTERFAX]* 51
Shushkevich Interviewed on Current Issues *[ZVYAZDA 1 Jan]* 51
Shushkevich Leads Delegation to Economic Forum in Davos *[BELINFORM]* 54

Moldova

Parliament Chairman Mosanu, Others Resign *[Bucharest Radio]* 54
Mosanu Opposes Snegur on Referendum *[ROSSIYSKAYA GAZETA 28 Jan]* 54
Parliament Deputies Ready To 'Give Up' Power *[INTERFAX]* 55
Deputies Boycott, Demand Elections *[ITAR-TASS]* 55
Snegur Would Be 'Sole Power' *[Bucharest ROMPRES]* 56
'Basic Principles' Approved for Transdniester Settlement *[INTERFAX]* 56
Dniester Official on Talks *[Moscow Radio]* 56
Deputy Chairman on 'Totalitarian' Regime in Dniester *[INTERFAX]* 56

CENTRAL ASIA

Kazakhstan

President Hails Adoption of New Constitution *[Alma-Ata Radio]* 57
More on New Constitution *[Moscow TV]* 57
Nazarbayev Speech to Supreme Soviet Viewed *[ROSSIYSKAYA GAZETA 28 Jan]* 57

Kyrgyzstan

Head of Iranian Foreign Ministry Cancels Visit to Bishkek *[INTERFAX]* 58
Akayev To Take Tough Measures To Combat Crime *[ITAR-TASS]* 58

Tajikistan

State of Emergency Imposed on Afghan Border *[ITAR-TASS]* 59
Supreme Soviet Presidium Appoints Officials *[Dushanbe Radio]* 59
Refugees Return Despite People's Front 'Repressions' *[ITAR-TASS]* 59
Government Faces Uphill Task of Rebuilding Economy *[ITAR-TASS]* 59
*Opposition Leaders in Hiding; Form Anti-Communist Front
[London AL-SHARQ AL-AWSAT 11 Jan] 60

Uzbekistan

U.S. Envoy Discusses Aid to Tajikistan With Karimov *[Moscow TV]* 60
Customs Chairman on Toughening Customs Controls *[UZBEKISTAN APN]* 60

CAUCASUS

Armenia

President Seeks International Pressure on Azerbaijan *[Yerevan International]* 61
Prime Minister Appeals to EC *[IZVESTIYA 28 Jan]* 61
Prime Minister: Power Situation 'Under Control' *[Yerevan International]* 61
Industry Ministry: Production at 'Complete Standstill' *[Yerevan Radio]* 61
Government, Karabakh Negotiators Leave for Ankara *[INTERFAX]* 61
Azeri Fire at Border Troops Considered Provocation *[INTERFAX]* 62
Government, CSCE Share Views on Settlement in Karabakh *[INTERFAX]* 62

Azerbaijan

Minister Reports Program To Settle Armenian Conflict *[Moscow TV]* 62
President To Submit Bill on Elections 'In Near Future' *[INTERFAX]* 62
Bilateral Meetings Held With CIS Leaders in Minsk *[ASSA-IRADA]* 63
Russian Import Taxes Aggravate Economic Situation *[Moscow Radio]* 63
Elchibey Receives Turkish Ambassador, Tatar Envoy *[TURAN]* 63

Georgia

Gas Pipeline to Armenia May Be Repaired by 29 Jan *[INTERFAX]* 63
Abkhazians Shell Sukhumi After Government Ultimatum *[INTERFAX]* 63
UN, Russia, Government Sign Aid Agreement *[INTERFAX]* 63
War With Abkhazia Slows During Talks With Russia *[KOMSOMOLSKAYA PRAVDA 27 Jan]* ... 64
Beppayev: Russian Troops' Presence 'Inexpedient' *[IZVESTIYA 29 Jan]* 64
Russian Forces Attacked, Property Stolen by Bandits *[KRASNAYA ZVEZDA 29 Jan]* 65
Agreement With Russia on Military, Economic Treaties
[MOSKOVSKIY KOMSOMOLETS 27 Jan] 65

BALTIC STATES

Estonia

President Begins Visit to France; Agreements Signed *[Tallinn Radio]* 67
Document on Military Cooperation *[Tallinn Radio]* 67
Correction to Report on French Friendship Agreement 67

Latvia

Officials Visit Russian Army Unit To Assess 'Threat' *[BNS]* 68
Official Notes Problems in Russian Trade Talks *[Riga Radio]* 68
Moscow Envoy to Lithuania Interviewed on Relations *[BALTIYSKAYA GAZETA Jan]* 68
Cooperation With Russia in Auto Industry Offered *[BALTFAX]* 70
German Accord on Maritime Cooperation Signed *[Riga Radio]* 70

Lithuania

Presidential Candidates Hold Televised Debate *[INTERFAX]* 70
'Brief' Summary of Debate *[Vilnius Radio]* 71
Candidate Brazauskas' Campaign Platform Published *[BALTFAX]* 72
Brazauskas Ahead of Lozoraitis in Vilnius Opinion Poll *[Vilnius Radio]* 72
Over 2.5 Million Voters To Take Part in Election *[BALTFAX]* 72

FIS Examines Proliferation of Nuclear Weapons

LD2801121393 Moscow ITAR-TASS in English 1143 GMT 28 Jan 93

[By ITAR-TASS diplomatic correspondents Sergey Nikishov and Sergey Staroselskiy]

[Text] Moscow January 28 TASS—Russia's Foreign Intelligence Service (FIS) regards issues concerning the proliferation of weapons of mass destruction (WMD) as "one of main problems and the main challenge of the post-Cold War period, according to FIS Director Yevgeniy Primakov. A special board to deal with these issues has been set up within the FIS.

"A new challenge in the post-Cold War period: The proliferation of weapons of mass destruction" is the subject of an analytical report presented on Thursday [28 January] by the FIS leadership.

At a press conference in the Russian Foreign Ministry press centre, Primakov pointed out that this first-ever non-classified report had been prepared by the FIS on the strength of many materials, including intelligence data.

The main danger of the proliferation of the WMD is in the fact that it "superimposes itself on the development of conflict situations at the regional level," Primakov emphasised. The departure from tough countervailing and the end of the Cold War slackened control over the development of conflict situations at the regional level, he said.

In this connection, the FIS director maintains, "the Helsinki agreements ceased to be a reliable guarantor of the borders of many newly established states in Europe." In addition, the proliferation of the WMD introduces the element of destabilisation at the global level and puts obstacles to arms reductions.

Speaking about Russia's specific interest in the field of control over WMD, Primakov emphasised that "Russia is not interested at all in the emergence of new states possessiong WMD along the perimeter of its borders."

Countries With Weapons Listed

OW2801121193 Moscow INTERFAX in English 1146 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] Sixteen countries of Asia, Africa and Latin America have fallen in the "black list" of the Russian Intelligence Service [FIS] which thinks that they possess or are "on the road" to possessing this or that type of weapon of mass destruction. The evidence for this assessment will be presented in the first open report by the Intelligence Service: "The New Challenge After the 'Cold War': The Proliferation of Weapons of Mass Destruction." On Thursday [28 January] it was presented at a press conference in Momsk by the director of the Service, Yevgeniy Primakov.

The authors of the report note that the 16 countries they have chosen are by no means all who have weapons of mass destruction or are trying to acquire them, but are the "main characters." In alphabetical order they are:

Algeria (the resources for the creation of weapons of mass destruction are insignificant)

Argentina (it has the potential but no reliable data that the country is carrying out a serious program of a military character)

Brazil (has the resources, there is evidence of the existence of a highly developed research program but there are no reports on the possession of nuclear weapons)

Egypt (there is no evidence of the possession of nuclear weapons, it is not considered that it can possess them in the foreseeable future)

India ("may be moved to the list of countries who unofficially have nuclear weapons," has chemical weapons, "not less than five military centers are related to the military-biological sphere")

Iraq (carried out the processing of nuclear weapons, but by the beginning of "Desert Storm 1" [as received] she had not acquired the weapons, now it is undertaking efforts to revive missile enterprises which produce means of making weapons of mass destruction)

Iran (does not possess nuclear weapons but is carrying out a program of research, possesses chemical weapons "at the very least of two types," has military related biological program but has no offensive biological weapons)

Israel ("unofficially has nuclear weapons," and a reserve of chemical weapons locally produced, "there is no "direct evidence" of the possession of biological weapons")

North Korea (does not possesss nuclear weapons though it has an "advanced" program, has program on chemical and biological weapons)

Libya (no evidence of the possession of nuclear weapons, it cannot produce nuclear weapons "in the foreseeable future," has 70-80 tons of chemical weapons, at the starting level of research in the area of biological weapons)

Pakistan ("has nuclear potential of military nature," no evidence of the possession of chemical weapons, but work is proceeding, accumulated a large reserve of pesticides)

Syria (has limited resources for the creation or acquisition of weapons of mass destruction in full volume, has no nuclear weapons, but has potential for chemical weapons, no biological weapons or programs directed toward it)

Taiwan (is capable of creating components of weapons of mass destruction and the means for acquiring them but it does not possess them)

Chile (has no nuclear weapons, has a small reserve of chemical weapons)

South Africa (may possess weapons of mass destruction, but it has no nuclear weapons, no evidence that the country has chemical or biological weapons)

South Korea (probably does not have its own weapons of mass destruction, though the industrial potential is great)

In the preface to the report, Primakov notes that the proliferation of weapons of mass destruction presents a threat to the general stability and creates new regional conflicts of a more dangerous character. Primakov stressed that the situation where states possessing nuclear, chemical or biological weapons may emerge in the perimeters of the Russian border "is unacceptable."

According to experts of the Intelligence Service, in a number of zones of high risk—Middle East, Persian Gulf, South and North Eastern Asia—on the map will be placed the very survival of the state. [sentence as received] They do not exclude, for example, the possibility that in the case of a transition into a critical level of conflict between India and Pakistan, the "prize" for the country that emerges on top will be the disintegration and practical elimination of the survival of the other country.

Of special danger, in the opinion of the authors of the report, is the ecological threat related to the proliferation of weapons of mass destruction. Already today, they write, on the territory of the former USSR districts where the level of radiation makes them unfit for life amounts to 4 million square kilometers, and in the U.S., 15 thousand zones of dangerous chemical and radioactive pollution have been declared. The experts are convinced that the currently existing mechanisms of international control are not adequately effective and a complete complex of global measures in order to stop the proliferation of weapons of mass destruction is necessary.

Ukraine's 3 Conditions on Nuclear Arms Withdrawal

MK2901070193 Moscow KOMMERSANT-DAILY in Russian 27 Jan 93 p 2

[Report by Viktoriya Kulakova and Vladimir Makartsev: "Mechanisms for the Withdrawal of Nuclear Arms From Ukraine Discussed"]

[Text] The first round of talks between Russia and Ukraine to determine the mechanisms for implementing the START I treaty (the withdrawal and nonproliferation of nuclear arms) began in the Kiev suburb of Ipren yesterday. The Russian delegation at the talks is led by Yuriy Dubinin, chairman of the state commission for talks with Ukraine, while the Ukrainian delegation is headed by Yuriy Kostenko, minister for environmental protection. The meeting is taking place behind closed doors.

According to observers, the meeting is to discuss a range of problems related to the storage of missiles and warheads before they are finally withdrawn from Ukraine in 1997, and to draw up a document confirming Boris Yeltsin's oral statement about Russia's nuclear security guarantees for Ukraine.

The meeting was preceded by talks in Kiev on 12 January between delegations of the Russian and Ukrainian Foreign Ministries. The Russian diplomats gave the Ukrainian side additional information that was intended to make it easier for the Ukrainian parliament to ratify START I. By that time, Kiev had already received clarifications regarding the details of the signing by Russia and the United States of START II in the context of Russo-Ukrainian relations and national security guarantees. The present meeting therefore can be viewed as a continuation of the previous one.

It is thought that Ukraine will continue to insist, as a condition for its ratifying START I, on an increase in U.S. aid from $750 million to $1.5 billion in addition to a share of Russia's profits from its sales of the dismantled nuclear warheads whose contents, after processing, can be used as fuel for nuclear power plants. More accurate figures may be given at the meeting because at the beginning of the year, the parliamentary foreign affairs commission of the Ukrainian Supreme Council had requested experts of the defense industry, security service, and the Institute for Strategic Studies to provide calculations of the political and economic consequences of nuclear disarmament.

The current talks are being held in a difficult atmosphere with various political forces trying to put pressure on the Ukrainian and Russian parliamentarians. Observers believe that the success of the talks will depend largely on the alignment of forces in the legislatures of the two countries.

Because it is a closed meeting, there is no telling when it may end. KOMMERSANT-DAILY will return to the subject of the Russo-Ukrainian talks on 30 January.

[Article includes the following boxed text:

The three conditions put forward by Ukraine to expedite its process of nuclear disarmament:

1. The nuclear powers should provide security guarantees.

2. Russia and the United States should subsidize the process of dismantling missiles.

3. Financial compensation should be paid for the storage of warheads that will be moved to Russia for destruction.]

Details of Nazarbayev Speech at Industrialists' Congress

PM2801160993 Moscow PRAVDA in Russian 28 Jan 93 p 1

[Report by G. Dildyayev and T. Yesilbayev: "Will Alma-Ata Become a Mecca?"]

[Text] Alma-Ata—Speaking at the International Congress of Industrialists and Entrepreneurs (ICIE) Assembly in Alma-Ata, Nursultan Nazarbayev described Alma-Ata as the capital of CIS integration initiatives. He does have grounds for saying this. Due credit should be given to the consistency and persistence with which the president of Kazakhstan upholds the need to coordinate the efforts of the Commonwealth states, above all in the economic sphere.

"I do not feel in the least nostalgic for the former unitary state and CEMA as obsolete political constructions," Nazarbayev said. "They have outlived their time. However, all of us understand that the degree of destruction, disintegration, and chaos to which our countries' economies have sunk can hardly be assessed positively. It is high time to halt the disintegration and begin a new integration, which in fact is just what the ICIE is designed for."

It is already obvious from this that the ICIE Assembly did not gather in Alma-Ata by accident. Industrialists and entrepreneurs representing delegations from 22 countries, including 11 states of the Commonwealth, felt at home because of the exceptional hospitality of their hosts. The president of Kazakhstan promised to lend the maximum support to any initiatives aimed at exploring such unchartered territory for politicians as restoring the coordination of natural economic relations in the framework not only of the former Union, but also of the former CEMA. In connection with this, N. Nazarbayev put forward the idea of opening in Alma-Ata an international institute for the study of the problems of the Eurasian economic area, involving in its work the best forces of the countries of Southeast Asia, Indochina, the Arab East, and Central Africa. And the ICIE would ensure the participation of the best European minds, as a result of which Alma-Ata could become a sort of Mecca for designers and authors of projects for the integration of the Eurasian economic area.

According to our observations, the Muslim, Hindu, and Christian sections of the congress auditorium alike proved in this instance equally "orthodox," receiving this passage from the "pope of integration" (a "label" attached to Nazarbayev by journalists, and apparently one the use of which he has no intention of discouraging) as if professing one single faith.

In a report on the ICIE's tasks in the new phase of work, Arkadiy Volskiy, chairman-coordinator of the congress council, noted that the development of crisis phenomena in society is in many ways promoted by what he described as a flawed economic strategy based on the illusion that all you need is to release prices and the market will be created. The destruction of formerly existing economic relations, frequent changes of state reform programs, and blatant neglect by politicians of the interests of industrialists and entrepreneurs, have led to the curtailment of business activity.

In order to remedy the situation, the economy should cease to be the hostage of politics. The task of industrialists and entrepreneurs is to create national wealth, and that of governments and parliaments, to help them to do so. Restoring former close economic ties and integrating them into a kind of "Common Market" is essential. In order to achieve this it is proposed to set up transnational companies, and to give foreign investors the right to freely acquire the securities of national joint-stock companies.

A. Volskiy, using extremely forceful terms, refused to have anything to do with journalists' questions as to what party he sympathizes with, saying that he did not want to share the fate of Professor Ramzin, "leader of the industrial party," and that the ICIE, according to the rules adopted at the assembly, is a strictly apolitical organization and should not be confused with the "Renewal Union." Nevertheless, it is clear to everyone that the assembly received a vividly expressed political subtext. The congress increasingly represents a real force, declaring its right to oppose governments and to lobby parliaments. So it is just one step away from forming a party. It is no coincidence that N. Nazarbayev, calling on oil workers and employees of the agro-industrial complex to consolidate into unions, proposed taking this step—creating an industrial party.

New Black Sea Fleet Commander Assumes Duties

LD2801152593 Moscow ITAR-TASS World Service in Russian 1446 GMT 28 Jan 93

[By UKRINFORM correspondent Mikhail Stetsyuk for TASS]

[Text] Sevastopol, 28 Jan—Vice Admiral Eduard Baltin, the new commander of the Black Sea Fleet, began his work today. He held a session of the fleet's military council, where he set out the main directions of his forthcoming work. Baltin sees his main task as preventing confrontation within the fleet.

The commander explained that before his arrival in Sevastopol he had meetings with the Russian and Ukrainian defense ministers. Both ministers spoke of their readiness to visit the main base of the fleet when necessary to tackle one question or another. Vice Admiral Baltin expressed confidence that proper discipline, organization, and order in the fleet would be maintained by common efforts.

ITAR-TASS Carries Press Review for 29 Jan

LD2901071093 Moscow ITAR-TASS in English 0608 GMT 29 Jan 93

["Press Review"—ITAR-TASS headline]

[Text] Moscow January 29 ITAR-TASS—Newspapers highlight today the official visit of President Yeltsin to India.

NEZAVISIMAYA GAZETA describes India as "an important part of Russia's policy in Asia" and points out, quoting the words of the Russian president, that the treaty of friendship and cooperation between the Russian Federation and the Republic of India was signed during the visit, and the payment transactions problem was settled, which "hampered the development of Russian-Indan economic relations." According to the newspaper, agreement was reached during the talks on military-technological cooperation "not only on the continuation of partnership in this sphere, but also on its extension. KRASNAYA ZVEZDA also covers the visit and, in particular, writes about the planting by Yeltsin of a tree seedling in the park near the Rajgaht memorial complex, which is "a live symbol of Russian-Indian friendship." The newspaper's correspondent in New Delhi stresses in his report that the tree is sure to bear fruit.

The newspaper sets forth Yeltsin's speech before Indian businessmen and stresses his words that Russia is building its relations with India on the principles of mutual advantage and respect. Commenting on Yeltsin's visit to New Delhi, PRAVDA points out that India is pinning much hope on the Russian president's visit. It starts two ITAR-TASS reports on the visit with Yeltsin's words, taken from his speech before Indian businessmen: "if there are people who believe they can prevent Russia from delivering cryogenic engines to India, they are mistaken: no one will prevent us from doing so, we shall deliver the engines." ROSSIISKAYA GAZETA carries a report on the visit under the heading "yesterday, today, tomorrow."

NEZAVISIMAYA GAZETA sets forth the speech of chairman of the Russian Parliament Ruslan Khasbulatov, made on January 27 at a meeting with representatives of the association of young businessmen and political leaders Forum-90. It includes leaders of the Civic Union, the Union for the Revival of Russia, Christian Democrats, businessmen and journalists. Judging by all appearances, the newspaper writes, Khasbulatov believes that the danger of the establishment in the country of the "authoritarian, terrorist regime" is quite real and, as the correspondent pointed out, "the attempt to do so may be made even before the referendum" of which Khasbulatov is highly sceptical. In his opinion, the only way to ward off the threat of dictatorship is to prepare public opinion for the idea that general elections will be held in spring 1994 without fail "in any case, referendum or no referendum."

Some newspapers set forth the report made at a press conference by Yevgeny Primakov, head of the external intelligence service. They stress his words that measures for preventing the proliferation mass destruction weapons should be of a universal character. Any exceptions or double standards are inadmissible.

NEZAVISIMAYA GAZETA sets forth a political statement made by first deputy prime minister of the Chechen Republic Yaraga Mamadaev. It stresses that "Chechnya's economic potential cannot be put to use without normalizing relations with Russia."

Moscow newspapers set forth Viktor Chernomyrdin's speech made on Thursday [28 January] at a joint meeting of the two chambers of the Russian parliament, which dealt with the programme of anti-crisis measures.

Some mass media organs carry reports about the successful Russian-Georgian talks in Tbilisi.

Yeltsin Continues Official Visit to India

Treaty Signed

LD2801163693 Moscow ITAR-TASS World Service in Russian 1358 GMT 28 Jan 93

["Treaty of Friendship and Cooperation Between the Russian Federation and the Republic of India"—ITAR-TASS headline]

[Text] [no dateline as received] The Russian Federation and the Republic of India, proceeding from the mutual desire of the peoples of the two states to strengthen the centuries-old traditions of friendship and cooperation between them,

Considering that the all-round development of friendship and cooperation accords with the vital national interests of both states, and the strengthening of peace in Asia and throughout the world; inspired by common ideals of peace, democracy, the guaranteeing of human rights and basic freedoms, nonviolence and secularism; convinced that in the contemporary world international problems can be dealt with only on the basis of cooperation, the respect of sovereign equality, independence, territorial integrity, the nonuse of force, noninterference in the internal affairs of states, and respect for the principles of justice and the norms of international law; filled with resolve to continue their efforts to assist international peace and security, universal and complete disarmament, and the peaceful settlement of contentious issues; affirming their adherence to the goals and principles of the UN Charter and to the Delhi Declaration on the principles of a nonviolent world free from nuclear weapons; acknowledging the continuity of this treaty with regard to the Treaty on Peace, Friendship, and Cooperation between the USSR and the Republic of India of 9 August 1971; filled with resolve actively to develop their relations in the political, commercial, and economic, scientific, and technical, cultural, and other spheres;

Have agreed the following:

ARTICLE 1

The high contracting parties solemnly state that peaceful, friendly and good-neighborly relations will be maintained between the two countries and their peoples in the future, as well.

Each party will respect the independence, sovereignty, and territorial integrity of the other, and will refrain from interference in the other party's internal affairs.

They will develop cooperation in the political, trade and economic, scientific and technical, cultural, and other spheres on the basis of the above-mentioned principles, as well as the principles of equality, mutual advantage, and most-favored nation.

ARTICLE 2

The Russian Federation respects India's policy of nonalignment and its role in supporting international peace, security, and international cooperation for development.

The Republic of India respects the Russian Federation's policy aimed at the democratization and deideologization of international relations, the development of equal partnership and cooperation in the world community, and the strengthening of universal security.

ARTICLE 3

Being profoundly interested in safeguarding the peace and security of all peoples and attaching great significance to their mutual cooperation in world affairs, the high contracting parties will consult one another regularly at various levels on all important questions affecting the interests of both parties.

In the event of an outbreak of situations that, in the opinion of the high contracting parties, constitute a threat to peace or a violation of peace, they will contact one another immediately to coordinate their positions in the interests of removing such threat or in reestablishing peace.

Neither party will undertake any action that might present a threat or inflict damage to the security of the other party.

ARTICLE 4

The high contracting parties, having in mind the achievement of universal and complete disarmament, have agreed that the process of nuclear and conventional disarmament, including the reduction and ultimate liquidation of mass destruction weapons, should be accelerated.

They consider that a reduction in armed forces and armaments to levels for minimum defense requirements will lead to a strengthening of security and stability in regional and global dimensions.

ARTICLE 5

The high contracting parties will strive to achieve a further enhancement of the role of the United Nations Organization. They will deepen their interaction within the framework of the United Nations Organization and other international organizations and institutions.

ARTICLE 6

The high contracting parties will focus particular attention on the deepening of interparliamentary ties.

ARTICLE 7

The high contracting parties will render assistance to one another in the development of mutually advantageous trade-and-economic and scientific-technical cooperation. In addition, in accordance with their national legislation and international obligations, they also will

create the necessary economic, financial, and legal conditions for promoting entrepreneurial and other economic activity, bilateral and multilateral joint enterprises, and encouraging investments that correspond to the principle of national sovereignty over their natural resources.

The high contracting parties will conclude separate agreements where necessary.

ARTICLE 8

The high contracting parties will cooperate in the sphere of ecology by means of an exchange of experience in the rational utilization of natural resources, the introduction of ecologically pure technologies, and the promotion of measures to protect and regenerate the environment. They also will render all possible assistance to one another in averting and liquidating the consequences of natural disasters and serious accidents. Both parties, mindful of their own corresponding ethnic problems, will contribute to the elaboration of an international strategy for the protection of the environment.

ARTICLE 9

The high contracting parties will promote the further development of cooperation in the sphere of education, culture, the arts, tourism, and sports. Traditional cultural contacts between the peoples of the two countries will continue, and academic and scientific-technical exchanges will be provided for in accordance with the parties' national legislation and international commitments.

Both parties also will develop cooperation in the cause of preserving historical and cultural memorials. Where necessary, separate agreements will be concluded in all these spheres of cooperation.

ARTICLE 10

The high contracting parties will promote the development of cooperation and exchanges in the sphere of information, encouraging contacts between institutions and representatives of mass media.

ARTICLE 11

The high contracting parties will continue to encourage cooperation in all spheres related to health care, including public health and protection from contagious and other diseases, as well as in the sphere of social security.

ARTICLE 12

The high contracting parties will protect and promote the implementation of human rights and basic freedoms, including religious freedom and minority rights, in accordance with their national legislations and international obligations.

They also will cooperate in combating crime: terrorism, hostage-taking, illegal acts aimed against the safety of sea navigation and civil aviation, illegal drug trade, and illegal trade in cultural and historical artificats, in particular.

They will implement necessary measures for giving reciprocal legal assistance in civil, family, and criminal cases and will strive toward signing a corresponding agreement.

They also undertake to oppose all forms of religious extremism, hatred, and violence.

ARTICLE 13

In accordance with the treaty, the rights and obligations of the high contracting parties do not inflict any damage on their rights and obligations under any other effective bilateral and multilateral treaties to which they are parties.

ARTICLE 14

The treaty is subject to ratification and will come into force on the day the ratification documents are exchanged.

The treaty is concluded for 20 years. Its validity will be extended automatically for each subsequent period of five years if neither of the high contracting parties states its desire to discontinue it by notifying the opposite high contracting party 12 months before the treaty expires.

Military, Industrial Cooperation

OW2801151993 Moscow INTERFAX in English 1435 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] Since cooperation was established between the Soviet and Indian military industries in 1960, the amount of Soviet special equipment and volume of technical aid extended to India has totalled 16.9 billion rubles (in export prices), including 11.2 billion rubles worth of equipment and 5.7 billion rubles worth of technical aid, Chairman of the Russia Federation's Committee for Defence Industries, Viktor Glukhikh, told Interfax on Thursday [28 January]. He also said that in 1992, Russia supplied India with equipment worth 73 million hard-currency rubles, it technical aid worth 96 million rubles.

At the request of India, Russia has given it a loan of $83C Mn to finance long-term programs for the construction of planes, ships and tanks, and for importing Russia's special equipment. However, the utilization of the loan procedes very slowly, said Glukhikh.

He also pointed out that India has been provided with the license for the construction of the MIG-27M plane, engine and on-board equipmenmt. This program is intended for the period from 1992 till 1996 and envishaes the production of 165 such planes. By January 1, 1993, 113 planes had been made already. The Russian

governmemt is considering India's proposal on broadening the production of MIG-27M planes. In 1992, the total worth of supplies of aviation equipment to India amounted to 20 million hard-currency rubles.

According to the contract between Glavkosmos and the Indian Space Research Agency, a programme for the production and supplies of cryogenic boosters has been drafted. India will also be supplied with the know-how and related services. The two states are planning to sign contracts for launching the Indian IRS1D remote-probing satellite with Russian Molnia and Proton boosters. The satellites IRS1A and RS1B have been launched already, while the launching of the IRS-1S satellite and of the INSAT-2S television and communication satellite is being prepared. The first two satellites of this series were launched with American and French boosters. In 1993, work in this are will be broadened and additional contarcts worth 70 million dollars are expected to be concluded.

India remains one of the basic consumers of Russian naval equipment. It accounts for 40 per cent of the exports of Russia's naval equipment. Russia also gives technical aid to India in designing and building ship-repair enterprises and in organizing the production of T-72M1 tanks and BMP-2 armoured personnel carriers.

Indian Official Comments

LD2801202693 Moscow ITAR-TASS World Service in Russian 1509 GMT 28 Jan 93

[Report by ITAR-TASS correspondent Boris Zaytsev]

[Text] Delhi, 28 Jan—India regards the visit by Russian President Boris Yeltsin as the beginning of a new era in Indian-Russian relations, an official spokesman of the Indian Foreign Ministry said at a news conference today. India and Russia, he said, had come forward in favor of an all-round development of new dynamic bilateral relations, using the enormous potential accumulated over all the previous years of cooperation. There are all conditions for fruitful trade and economic ties. The results of the efforts of the two states can be expected even this year. The parties have vital interests in this.

Touching upon the Indian-Russian summit talks today, the Foreign Ministry spokesman noted that they had been held in a warm and cordial atmosphere.

He described as the crown of the fruitful dialogue the treaty on friendship and cooperation signed by Boris Yeltsin and Narasimha Rao and also other documents which had been signed and which embraced bilateral cooperation in the field of economy and trade, science and culture, information and military-technical assistance.

Replying to a question of an ITAR-TASS correspondent on his attitude toward some remarks in the local media which belittled the importance for India of cooperation with Russia, the official spokesman of the Indian Foreign Ministry pointed out that he categorically disagreed with them. "In total, ties with Russia can be called decisive for India," he said. Relations between Moscow and India are unique in a way; there is understanding on many key issues of the modern time. India was not going to give them up, the Foreign Ministry spokesman stressed.

Yeltsin Dinner Speech

LD2801180393 Moscow ITAR-TASS in English 1739 GMT 28 Jan 93

[By ITAR-TASS correspondents Boris Zaytsev and Gennadiy Talalayev]

[Text] New Delhi January 28 TASS—"Relations with India is the most important direction of Russian foreign policy," said Russian President Boris Yeltsin at a dinner given in his honor by the Indian President Shankar Dayal Sharma on Thursday.

"Contacts with India have their own, everlasting significance for Russia. If anyone ever had any doubts about it, all of those doubts should be cast aside since there are no grounds for them," Yeltsin said.

"No matter how Russia's relations with other states developed, whether in Asia or beyond it, they are by no means regarded by us as an alternative to cooperation with India and are not being developed at the expense of this cooperation," he noted.

Yeltsin said that during the present hard and turbulent times the philosophy of non-violence and tolerance given by India as a gift to the world, is acquiring a tremendous importance. According to Yeltsin, these ideas are capable of playing a great peace-keeping role and become a counter-balance to militant nationalism and religious extremism.

Russia, like India, is a multinational state, Yeltsin said. The experience of the settlement of interethnic conflicts has proved that the complexity and delicate character of ethnic and religious problems primarily demand the use of methods of a political dialogue.

At the same time Yeltsin noted that "at times a principal position and firmness should be displayed so as to prevent the spread of conflicts and danger to people's lives, unity and territorial integrity of states. We have a common point of view with the Indian leadership on this matter," Yeltsin said.

The Indian president stressed that Russia and India are united by common values of peace and democracy. The Indian president believes that pursuing the policy of non-alignment is as important as ever which means adopting solutions by way of mutual consensus. Carrying out transformations in society by means of consensus is necessary not only to avoid conflicts tomorrow but in

order to bring into line economic, political, technical and military realities which emerged after the end of the Cold War.

The Indian president said that the Russian president's first visit to India is the reflection of succession and changes. It is restoring a tradition of maintaining contacts between our two countries at top political levels. The forms of such cooperation will undoubtedly need certain adjustment and improvement in order to reflect the changes underway in the two countries, the Indian president said.

He noted that Yeltsin's visit is being regarded as "the beginning of a new way for our relations and desired cooperation at a bilateral level and in the international arena for the sake of achieving our common goals of creating an equal, safe and peaceful future for all countries and the whole mankind."

Further Yeltsin Remarks

LD2801215193 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1800 GMT 28 Jan 93

[Sergey Alekseyev report from New Delhi with recorded excerpts of remarks by President Boris Yeltsin to Indian businessmen on 28 January; from the "Novosti" newscast]

[Text] In Delhi today President Yeltsin solved the basic problems of Russia's relations with India—concerning credit and finance settlements for reciprocal supplies and the maintaining and expansion of military cooperation.

[Begin recording] [Alekseyev] As expected, the meetings at the Rashtrapati Bhavan presidential palace in Delhi have been ceremonial and festive—the first official conversation with Sharma, the Indian president, and with Narasimha Rao, the republic's prime minister, and then the talks with expanded delegations with the Indian side and, also today, a meeting with Indian business circles —the people who are the most concerned here by the worsening in trade and economic relations with Russia.

[Yeltsin] There exists a problem of mutual payments. I think perhaps that for entrepreneurial and business circles this is one of the questions which has constantly slowed down the initiation of our relations and their implementation. And they have continued to decline because there has existed a certain uncertainty concerning which payments would form the basis for our links to function on, which system of payments.

I should tell you that after the talks with Mr. President and prolonged talks with Prime Minister Rao, I should say that the question I have addressed here today and which you have been asking me to solve has been solved.

[Alekseyev] What was meant was the relation between the ruble and the rupee that was set way back in 1978. The Indian side insisted that this should be changed due to the devaluation of the ruble and, therefore, a reduction of its 370 billion rupees debt to Russia. The Russian side did not want to change anything. But now a compromise has been found: The debt will remain the same, but the ruble settlements with India will be made at the 1990 rate.

President Yeltsin has informed Indian businessmen and industrialists that the painful problem of supplies of Russian military equipment to the Indian Army has now also been solved. The deliveries will be resumed at previous levels and, in addition, Russia has offered to help India build a large plant in India to make spare parts for military equipment. One other, rather delicate, question which has been worrying many people here is the supply of Russian missile technology to India. As is known, to date India has not joined the international treaty on nonproliferation of nuclear weapons and this is why the United States believes it has a right to object to Russia's supplying cryogenic engines to India. But the Russian president answered this firmly and unambiguously.

[Yeltsin] When two large—great—states such as Russia and India signed an agreement for Russia to supply cryogenic engines to India and a certain third party wants to prevent this, this third party is mistaken. It will not prevent us from doing so.

[Alekseyev] The Russian position on these and other problems connected with the development of Russian-Indian relations at their new stage was reflected in the documents signed today in Delhi: the friendship and cooperation treaty, which has laid the new international and legal foundation for these relations, the inter- governmental agreement on military cooperation, the memorandum on cooperation in science and technology, the protocol signed by the Foreign Ministries on mutual consultations, and other documents. The final results of the first official visit made by President Yeltsin to India will be summed up at the news conference which will be held jointly with Indian Prime Minister Narasimha Rao in Delhi. [end recording]

Trip Marks 'New Way' in Ties

LD2801200693 Moscow ITAR-TASS in English 1936 GMT 28 Jan 93

[By ITAR-TASS]

[Text] New Delhi January 28 TASS—Boris Yeltsin' visit is being looked upon in India as "the beginning of a new way for our relations, purposeful bilateral cooperation and cooperation in the international arena for the sake of achieving our common goals of establishing equal, safe and peaceful future for all countries and the whole mankind," said Indian President Shankar Dayal Sharma at a dinner given in honor of the Russian president currently on an official visit to India.

The desire of Russia and India for the comprehensive development of friendship and cooperation which was voiced by the Indian president was reflected in a bilateral

treaty signed on Thursday by the Russian President Boris Yeltsin and the Indian Prime Minister Narasimha Rao.

The document, which outlines the basic principles of relations between renewed Russia and India, proclaims that "in future they will continue to maintain peaceful, friendly and good-neighbourly relations" and develop cooperation on the basis of principles of equality, mutual benefit and the most favoured nation treatment.

During the ceremony held in the Shoka Hall of the Rashtrapati Bhavan presidential palace, other agreements were signed aimed at the development and strengthening Russian-Indian cooperation in trade, economic, military, scientific, cultural and other spheres.

The talks which were held in an extremely warm and hearty atmosphere were characterised by a "breakthrough" in the settlement of one of the most controversial issues concerning the settlement of mutual debt payments. "This problem has not been settled since 1985, while today we have resolved it," Yeltsin said in an interview with ITAR-TASS. According to Yeltsin, this is the very problem that has been impeding the development of Russian-Indian economic contacts.

Addressing entrepreneurs and industrialists, Yeltsin called for cooperation with Russia. "Our countries are rich in work force and natural resources, so let us develop trade and cooperation," Yeltsin said.

Touching upon bilateral military and technical contacts, Yeltsin assured Indian businessmen that Russia would continue the supplies of spare parts to Soviet-made military hardware currently used by the Indian Army.

Support Over Kashmir

LD2901120293 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 2100 GMT 28 Jan 93

[From the "Novosti" newscast]

[Text] To conclude the subject of Yeltsin's visit to India, I would like to draw your attention to this important detail: President Yeltsin has stated that Russia will support India in the resolution of the Kashmir problem according to the Indian variant. He was referring to the state of Jammu and Kashmir, where many people are strongly in favor of separation from India, and where clashes are taking place between separatists and government troops.

Kozyrev, Indian Counterpart Meet

LD2901100293 Moscow Radio Rossii Network in Russian 0200 GMT 29 Jan 93

[Text] Russia and India share the same point of view: it is inadmissible to allow new nuclear states to come into being, including in the Asia-Pacific region. Andrey Kozyrev, Russia's minister of foreign affairs, said this today in an exclusive interview with the RIA agency upon the completion of Russian-Indian talks. Issues relating to nonproliferation of nuclear and chemical weapons were discussed at the talks, as were questions concerning missiles and missile technologies. The Russian side is in favor of strengthening the policy of nonproliferation of mass destruction weapons. Indian Minister of Foreign Affairs Dinesh Singh spoke in a similar vein. He confirmed that India intended to develop its nuclear industry only for peaceful applications.

Preliminary Military Accord Signed

LD2901071193 Moscow Radio Rossii Network in Russian 0400 GMT 29 Jan 93

[Text] Russia and India will develop their cooperation in the military sphere. A preliminary agreement to this effect was signed in the Indian capital by the two countries' ministers of defense, Pavel Grachev and Sharad Pawar. The agreement envisages not only exchanging information and visits, but setting up joint production in India of modern armaments and military equipment to be supplied to third countries. An agreement has been reached on supplying to India spare parts for military equipment, 70 percent of which was exported from the former USSR.

Grachev told an RIA correspondent that the Russian side is prepared to supply submarines—without nuclear reactors—to India. All these issues will be discussed during an official visit of the Russian Federation defense minister to India, which is to take place in March this year.

Yeltsin 'Satisfied' With Visit

LD2901092193 Moscow ITAR-TASS in English 0821 GMT 29 Jan 93

[By ITAR-TASS special correspondents Sergey Karmalito and Yuriy Sizov]

[Text] New Delhi January 29 TASS—"Today Russia and India are closer to each other than ever before," President Yeltsin said here today, summing up the results of his official visit to India during a press conference in the Indian capital. He said he was "very much satisfied" with the results of the summit.

"We have interrupted the dragged out pause," the Russian leader said, "and this holds out the hope that we shall be able to usher in a phase of our cooperation's dynamisation this year. We are embarking upon new relations, which will be really sound and without any political slyness. They will be relations of friendship, cooperation and trust."

Yeltsin Address on Asia Policy

LD2901100193 Moscow ITAR-TASS in English 0937 GMT 29 Jan 93

[By ITAR-TASS special correspondent]

[Text] New Delhi January 29 TASS—"Today, just as the West, Asia is a priority direction of Russia's foreign policy," President Yeltsin told representatives of Indian public circles in parliament house here. "Proper equilibrium, denunciation of discrimination, and efforts to surmount ideological narrowness—these are the fundamental directions of our Asia policy," he added.

Turning to the Russo-Indian documents signed the day before, Yeltsin stressed that the agreement on military-technical cooperation was not spearheaded against any third country. "It is intended to help India uphold its freedom and sovereignty," he said.

Analysing the situation on the Asian continent, Yeltsin noted that recently there was an obvious improvement of relations between India and China. He said the inertia of decades-long mutual suspicion was being overcome. Russia appreciates these positive changes in relations between the two neighbours.

"Russo-Chinese contacts are changing qualitatively," Yeltsin noted, stressing that the "promotion of the Russo-Chinese dialogue does not mean that Russia had made some sort of an option. The Russo-Chinese relations correspond to the general direction of our Asian policy. The principle of shouldering out some other state is absolutely unacceptable in this case."

"Mutual trust, good-neighbourly relations and entirely peaceful designs of the three largest states of the world, situated in Asia, could serve as a powerful stabilising factor not only on the Asian, but world scale, too" Yeltsin stressed.

Russia, just as the world community, hopes for the normalisation of Indian-Pakistani relations. "We," Yeltsin said, "shall welcome any steps towards their mutually acceptable settlement. If necessary, we are ready to render India and Pakistan assistance in any form suiting them both. But we do not intend to render military-technical aid to Pakistan."

The Russian president further stressed the need to take effective measures to settle the conflict in Afghanistan and to return all the war prisoners home. "The measures taken by the world community in this direction were so far are obviously insufficient," Yeltsin stressed. "And Pakistan is to blame for it."

Regarding the recently signed Russo-American START-2 treaty, President Yeltsin noted that the process of nuclear disarmament had reached a phase, when other states should join it. "We are realists and we are fully aware that our world is far from perfect today. There is much too much evil, bitterness, violence and intolerance in this world."

"Today, more than ever," Yeltsin noted, "we must bear in mind the disastrous consequences of messianic designs to reform the world at any cost. This is even more dangerous today, when intolerance towards each other, national and religious differences may lead to the use of unprecedentedly powerful means of destruction."

Yeltsin, Rao News Conference

LD2901121393 Moscow ITAR-TASS World Service in Russian 1025 GMT 29 Jan 93

[By ITAR-TASS special correspondents Sergey Karmalito and Yuriy Sizov]

[Text] Delhi, 29 Jan—Russia and India are closer to one another today than ever before, Russian President Boris Yeltsin said in Delhi. Summing up his official visit to India at a news conference today, he stressed that "he is extremely satisfied" with the summit meeting that ended with the signing of 11 documents. "We have brought a long interval to an end," the Russian leader said, "which gives hope of this year beginning a phase that will see our cooperation become more dynamic."

According to Yeltsin, new relations are beginning for Russia and India, relations that are really healthy, devoid of any political cunning, relations of friendship, cooperation and trust. India, B. Yeltsin continued, has achieved great success in science and technology, and for this reason Russia is prepared not to help but to cooperate with one of the major states in the Asia-Pacific Region. The Russian president also said that an accord had been reached to sell military technology to India, including the very latest technology. He reiterated that neither country has any intention of reneging on the contract to deliver cryogenic rocket engines to India. "We will definitely meet this agreement," B. Yeltsin added.

"The visit to Delhi by the Russian president was short, significant and productive," P.V. Narasimha Rao, prime minister of India, who also took part in the news conference, stated. After noting the coincidence of views on the issues discussed, he stressed that today "a new chapter is being opened in Indian-Russian relations." The head of the Indian Government reported that dates for his visit to Russia are to be agreed upon via diplomatic channels.

Replying to a question put by the ITAR-TASS correspondent as to whether they had succeeded in reaching an acceptable solution regarding mutual computations and on ruble and rupee exchange rates, B. Yeltsin reported that the final variant had not been agreed upon until 0200 today after a very lengthy period of work. "Such problems and barriers, blocking the development of bilateral cooperation, no longer exist. All questions of mutual computations have been resolved," the Russian president stressed.

Speaking about Russia's foreign policy strategy, B. Yeltsin recalled that it is a Euro-Asian state, the greater part of which is located in Asia. Russia should therefore observe a balance of interests and orient itself toward both the East and the West.

After recalling that the "Indian card" had previously been played by the Soviet Union both against so-called

"American imperialism and Chinese hegemony," B. Yeltsin pointed out that today the bilateral agreements are not directed against any third country.

To the question of whether Russia is prepared to back India's desire to become a permanent member of the UN Security Council, B. Yeltsin said that for him "this a difficult issue, since Russia is one of the younger members of the Security Council." In the president's opinion, it is not the number of nuclear warheads possessed by a given country that should be taken into account when forming the Security Council, but its geopolitical significance. At the same time, the president added, if this issue is considered, Russia will vote "for."

Commenting on the Russian Federation's approach to the Kashmir problem, he said that it backs India on this issue and is prepared to support this position at all international organizations. In this connection, B. Yeltsin suggested creating an international center within the Asia-Pacific region for dealing with contentious issues. Russia, he stressed, is prepared to make a contribution to the organization of such a center, which could be set up in any country in the region, including either India or China.

Touching on the issue of sanctions against the former Yugoslavia, the Russian president stressed that nowhere in the world are such issues dealt with by force.

Provisions of Agreements Outlined

PM2901132593 Moscow IZVESTIYA in Russian 29 Jan 93 pp 1, 3

[Vasiliy Kononenko and Nikolay Paklin report: "Boris Yeltsin Seeks Compromise in Delhi To Fathom Debts"]

[Excerpt] Delhi—The chief purpose of the visit is to shift the obstacles which have formed in Russian-Indian relations in recent years. With this statement at the Palam Airbase near Delhi, where the president's special aircraft landed Wednesday evening, Boris Yeltsin essentially began his political dialogue with the Indian leaders.

It is not an easy dialogue. A hiccup has occurred in relations between our countries. This is of concern both to us and to India. It is primarily a question of fathoming the debts. V. Shumeyko, first vice premier of the Russian Federation Government, who held preliminary talks with the Indian side, defined this problem as follows: India must repay to Russia the funds obtained previously from the USSR by way of state credits. Today this sum stands at approximately U.S.$13 billion. But the exchange rate of both the rupee and the ruble against the dollar has changed since the credits were granted. Each side proposes its own conversion option. With an advantage for itself, of course. A compromise is needed.

The Russian president reported while still in Moscow that he had several proposals in this regard. Shumeyko emphasized that the Russian side can agree to a recalculation option under which the reduction in the amount of the Indian debt will not exceed 28 percent. But the Indian side would like to reduce the amount of payments by 50-55 percent. In the opinion of experts in the Russian delegation, B.N. Yeltsin will attach paramount significance to just this problem at the talks being held in Delhi with Indian Prime Minister Narasimha Rao. It should be borne in mind that today we meet 60 percent of the cost of acquiring Indian goods by the cancellation of debts. These are food, tea, coffee, spices, consumer goods, and many other things for which our country has an acute need.

In addition to the problem of debts, there are many other "bottlenecks" in Russian-Indian relations. To resolve them, the Russian president's portfolio contains more than 10 drafts of various documents. Most important is the Treaty of Friendship and Cooperation between the two countries, which is to be signed during the visit. In particular, it proposes that peaceful, friendly relations will continue to be maintained between Russia and India. Each side will respect the other's independence, sovereignty, and territorial integrity and will not interfere in its partner's internal affairs. If situations arise which, in the sides' opinion, pose a threat to peace, they will at once make contact with each other. But this certainly does not presuppose dragging either side into a possible armed conflict.

Russia and India agree that the process of reducing nuclear and conventional arms must be accelerated. The treaty, which is valid for 20 years, is designed to promote the development of cooperation in spheres such as entrepreneurship, education, culture, art, tourism, and the struggle against terrorism and crime, the taking of hostages, the hijacking of aircraft and ships, drugs trafficking, and the illegal export of cultural and historical artifacts.

Another important document is the intergovernmental agreement on military-technical cooperation. This sphere of cooperation is of special interest to both Russia and India. The Indian side is interested in obtaining modern combat hardware and also spare parts for the weapons bought from the former USSR. Russia is interested in the Indian arms market. It is ready to grant India technical credit for these purposes to the tune of $830 million. The organ of Indian business circles—the newspaper ECONOMIC TIMES—reports that India intends to use part of this credit, in particular, for the needs of its navy.

The list of military hardware offered by the Russian side includes mainly the latest models of aircraft, tanks, and small arms and means of communication. As regards the need for spare parts for the arms that India has, many of which have already been taken out of production in Russia, it is proposed to meet it as follows: Indian clients must approach the specific manufacturers of this output and conclude contracts on mutually advantageous terms.

The agreement proposes that Russia will give India technical assistance in producing arms under our licenses—it is

a question of constructing turnkey plants, as well as supplying additional equipment for military installations, developing and creating new models of defensive types of weapons, and training cadres. In short, the two countries' military-technical cooperation will, as previously, be one of our priorities. [passage omitted]

Yeltsin Leaves for Home

LD2901121193 Moscow ITAR-TASS in English 1149 GMT 29 Jan 93

[Text] New Delhi January 29 TASS—Russian President Boris Yeltsin left India for home today after ending his official visit there. A treaty of friendship and cooperation and documents laying the foundation for the development of bilateral relations between the two countries in various spheres were signed during the Russian-Indian summit.

Primakov Presents Report on Arms Proliferation

LD2801132793 Moscow ITAR-TASS in English 1253 GMT 28 Jan 93

[By ITAR-TASS diplomatic correspondents Sergey Nikishov and Sergey Staroselskiy]

[Text] Moscow January 28 TASS—"As a rule, Russian experts, employed in the nuclear weapons industry, are not eager to go to any other countries. The danger is posed by specialists working in adjacent areas. They may be used abroad for organising the production of separate parts for nuclear weapons," director of the Russian External Intelligence Service Yevgeniy Primakov told a press conference at the Russian Foreign Ministry here today. "Neither we, nor our partners, possess information that our specialists are already working in this area," Primakov added.

"However," it was noted by Gennadiy Yevstafiyev, department chief in the Russian External Intelligence Service, "if Russia and the international community fail to exert sufficient efforts shortly to ensure normal conditions for the life of these scientists, to raise their status, we may be confronted with a situation when some of them may try to go to some foreign countries."

The head of the Russian intelligence further said that there were no thefts of nuclear weapons or nuclear materials from Russia or other CIS countries.

Asked about reported attempts to smuggle radioactive substances out of Russia, Yevstafiyev confirmed that there were, indeed, some such attempts by individuals or even whole structures. "This is mainly done at amateur level," he said, "but there were attempts to organise channels for smuggling them out of the country. "One of these channels, without doubt, runs through Poland," Primakov noted. [quotation marks as received]

Referring to data received not only from intelligence sources, but also from scientific circles, Primakov said that there was no such thing in existence as red mercury, about which the press had written so much. "At the same time," he noted, "that deals, involving large amounts of money, were recorded lately. According to information gleaned by the Russian External Intelligence Service and several European special services, "they were concluded by merging mafiosi structures, which wanted to launder their money in this way, including profits made on narcobusiness".

Primakov said that he did not receive any official invitation to visit the United States so far. He said that the Russian intelligence was not informed in advance about the strikes at Iraq, although the take-off of planes and missile launchings were recorded, of course.

Speaking about his attitude to defectors from the Russian special services to the West, who were recently described as heroes by some people, Primakov said: "Traitors are always traitors, and there are traitors everywhere. As a matter of fact, there was not a single case when a defector, who has betrayed his cause, his oath and comrades, had done it for political reasons."

Further Report

LD2801161793 Moscow Mayak Radio Network in Russian 1350 GMT 28 Jan 93

[Text] A briefing by the Foreign Intelligence Service was held at the Foreign Ministry press center today. Anatoliy Fedorov, our correspondent, reports:

[Fedorov] Foreign intelligence chief Yevgeniy Primakov presented a report which only recently was top secret, called "A New Challenge Following the Cold War—the Proliferation of Mass Destruction Weapons." This problem affects Russia's immediate interests. A situation in which new states which possess these weapons can come into being along the Russian border does appear unacceptable. This is made more serious by the fact that the processes of emergent statehood within many former Union republics are incomplete. Some of these republics are in the grip of the conflagration of ethnic, national, and political conflicts. There is here also an obvious tendency whereby neighboring states can be drawn into these conflicts. Some of these states can be classified as striving to possess mass destruction weapons, or else they already possess some types of these weapons.

The preamble of the report says that certain slowness of the process of concentrating nuclear arms in Russia itself which, within these terms of reference, is the USSR's legal successor, is a most serious problem. Moreover, rather influential forces are making themselves felt here—despite accords reached earlier, these forces would like to preserve their states' nuclear status permanently.

[Begin Primakov recording] The proliferation of mass destruction weapons constitutes, in a most negative way, an element of global destabilization, because it creates a serious impediment to the process of arms cuts. I would also like to mention—and intelligence services are dealing with this issue themselves—that a new type of terrorism may emerge. In this context, the enhanced

interest of international mafia structures in organizing illegal trade in fissile and other especially dangerous materials causes serious alarm. Moreover, foreign intelligence service experts think that it does not only bear witness to the desire of the mafia structures to get maximum profit from their resale operations, but that in future it may possibly create exceptionally dangerous situations connected with the use of these materials for blackmail purposes.

The report clearly defines three groups of countries with regard to the process of the proliferation of mass destruction weapons, apart from the so-called global or nuclear club. The report analyses the additional irritants which now cause this process of proliferation to take place. Special attention is focused here on the necessity of stepping up the protection of nuclear arsenals, the control over the nuclear brain drain—moreover, this problem is not just a Russian one; experts of the Foreign Intelligence Service think that this problem has international dimensions. Thus, by the year 2000, for instance, out of 30,000 people who work in the nuclear arms complex in the United States, 15,500 people will have been made redundant, sacked, if you like; 14,500 people will remain, whilst 15,500 people will be made redundant by this complex and, naturally, problems of possible emigration and nuclear brain drain will arise here, too.

However, it is not just real threats of this kind that exist; what also exists is certain misinformation and concoctions which sometimes emerge by accident and sometimes by design. The concoction concerning red mercury is among this latter category. It is alleged that large amounts of it were taken out of the country, but, according to our data, it was a large operation, connected in practical terms with money-laundering operations. Naturally, we raise the question of the need for comprehensive measures in order to strengthen the nonproliferation regime. [end recording]

'Pragmatic' Approach Taken

PM2901125793 Moscow KOMSOMOLSKAYA PRAVDA in Russian 29 Jan 93 p 1

[A. Vasilyev report: "From the Life of the Secret Services. Secrets From Primakov"]

[Text] There was a rather high concentration of Russian intelligence service staffers per journalist yesterday at the Russian Foreign Ministry Press Center on Zubovskiy Boulevard. Veteran Soviet intelligence officer Aleksandr Feklisov, who was a KGB agent in Washington in the 1960's, could be spotted in the hall. His younger colleagues, whose names cannot yet be revealed as they are still "active" so to speak, were also present.

Such a gathering of "knights of the cloak and dagger" is explained by the fact that Academician Yevgeniy Primakov, Foreign Intelligence Service chief, was presenting to the "knights of the pen and television camera" an analytical report prepared by the organization entrusted to him and entitled "A New Challenge After the Cold War: The Proliferation of Weapons of Mass Destruction." To Primakov's left sat his first deputy, Vyacheslav Trubnikov, and to his right—Major General Gennadiy Yevstafyev, who could be encountered at the end of the 1980's in Geneva and Vienna as part of the Soviet delegation to the disarmament talks.

Not for nothing had these and other "knights" gathered on Zubovskiy Boulevard. The presentation of such a report is an unprecedented event in the history of our intelligence services. It was compiled on the basis of information gleaned from open sources, as well as with the help of specific intelligence means (the implication here being, obviously, agents).

As Academician Primakov said at the news conference, the main danger from the proliferation of weapons of mass destruction resides in the fact that they "compound the development of conflict situations at regional level," and introduce a destabilizing element at global level. Moreover, it is noted in the report that there is a danger of a new type of terrorism, and of attempts by the "international mafia" to use radioactive materials for nuclear blackmail.

The Foreign Intelligence Service leaders' speeches, and the document presented by them, are notable for the pragmatic, deideologized approach to the problem under examination, and to Russia's interests as a whole, which distinguishes them favorably from statements by certain high-ranking Foreign Ministry functionaries. Primakov, for instance, spoke in favor of renouncing "double standards" in respect of states already secretly in possession of nuclear weapons, or which may acquire them in the near future. This concerns first and foremost the policy of Western countries toward Israel. It is no secret that this country already has nuclear bombs. However, the United States and its NATO allies are more concerned about Iraq, Iran, and North Korea. In Yevgeniy Primakov's view, it is wrong to categorize countries as "friendly" or "hostile."

To conclude, Primakov expressed condolences to the American CIA in connection with the recent deaths of three [as published] of its staffers at the hands of a terrorist at the agency's actual headquarters in Langley.

DPRK Weapons Plans

SK2901021293 Seoul YONHAP in English 0155 GMT 29 Jan 93

[Text] Moscow, Jan. 29 (YONHAP)—Russia's external intelligence service, in its first such expose ever, has disclosed that North Korea is developing nuclear, chemical and biological weapons.

The former KGB made the disclosure Wednesday in a 130-page intelligence report, entitled "A Proliferation of Mass Destruction Weapons Is a New Challenge in the Post-Cold War Era."

North Korea has been working for many years on the development of nuclear as well as chemical and biological weapons. The purpose of their development is military application, the report says.

It is the first time North Korea's nuclear and other weapons programs were made public by an intelligence organization of Russia, which has a military pact with Pyongyang.

According to the report, North Korea is standing on the threshold of developing nuclear bombs. Experts of North Korea's People's Army were taking part in the development program.

But North Korea is unable to make it through the final stage of the nuclear development plan because of technical problems, the report says.

Moreover, North Korea is conducting experiments with viruses of various communicative diseases such as anthrax, cholera and plague at a number of universities, medical colleges and research institutes while working on chemical weapons in extreme secrecy, the report says.

In addition, North Korea is stepping up production of missiles, mainly Scud-C missiles, and testing its first domestically developed missile, named "Nodong No. 1," with a range of 1,000 kilometers.

Those missiles are being produced as a means of delivering nuclear warheads and other weapons of mass destruction, the report adds.

The report says, however, there are not many top-class experts in these fields in North Korea and as a result it is trying hard to recruit foreign scientists and engineers.

Yevgeniy Primakov, director of the external intelligence service, told a press conference Wednesday he did not believe North Korea "currently possesses" a nuclear bomb though it has the "potential" to develop one.

In a question-and-answer session with reporters, Primakov also said there was a possibility that out of work Russian nuclear scientists could go to foreign countries, offering their expertise.

But there has not been a single top-class Russian scientist who has gone abroad thus far, Primakov said.

'Transcript' of 3 Jan Bush-Yeltsin Meeting

MK2801205793 Moscow DEN in Russian No. 3, 17-30 Jan 93 pp 1-2

["Extract from transcript of the main content of Russian Federation President B.N. Yeltsin's private [v uzkom sostave] conversation with U.S. President G. Bush 3 January 1993," with introductory commentary by Shamil Sultanov: "Your Instructions Have Been Carried Out, Mr. Bush!"]

[Text] Our country is under occupation. That is not a metaphor. It is a reality. What is an occupation regime? It is a regime which pursues the state interests of another country in the occupied territory. B. Yeltsin's group is systematically implementing a policy that meets the "vitally important priorities" of the United States, as has repeatedly been noted at hearings in U.S. congressional committees. The latest example is the conclusion of the START II Treaty. B. Yeltsin himself, naturally, has said nothing about the Russian Federation's system of national interests.

An occupation regime pursues the interests of the metropolitan state by means of special methods and procedures made available by that state. In relation to our country, this means an occupation strategy codenamed "the course of reforms." Please note: In the text below, Bush insists that B. Yeltsin's team "continue to follow the path of reforms."

An occupation regime gives its bosses extraordinary, extraterritorial powers on the occupied territory. Read the 17 June 1992 agreement between the Russian Federation and the United States, signed by Bush and Yeltsin. Take Article 7, for instance: "As regards judicial proceedings and lawsuits... the Russian Federation has no claims and shall bring no judicial proceedings against the United States of America or its personnel... for damage to property belonging to the Russian Federation or the death of Russian Federation personnel or damage to their health (on Russian Federation territory—S.Sh.) resulting from activity under the present agreement." In other words, the Yanks obtained from B. Yeltsin the right to kill Russians, conduct experiments on them, and so forth. Incidentally, in the last century the British Empire concluded such agreements with several Indian maharajahs.

An occupation regime is obliged to consult constantly and inform its bosses of major important decisions. Remember: After the signing of the "Belovezhskaya pact" Yeltsin, Shushkevich, and Kravchuk rushed to the telephone to inform Bush of the abolition of the USSR. It is said that they even engaged in a shouting match to decide who would be the first to tell George.

An occupation regime is always willing to make deals with the territory of the occupied country. For instance, in his Edict No. 1542 of 8 December 1992 B. Yeltsin granted foreigners the right to lease land in the Kurils for a 99-year period, that is, until the end of the 21st century.

An occupation regime is obliged to clear all major cadre changes with its bosses. Note B. Yeltsin's words in the text of the stenogram below: "You asked me to keep Kozyrev in his post, and I carried out your request."

An occupation regime, in turn, constantly demands financial input from its bosses (see B. Yeltsin below).

An occupation regime generally decays from within. B. Yeltsin assures Bush: "The ministers of security and internal affairs are firmly on the president's side." But Poltoranin claims that Barannikov and Yerin, along with

Khasbulatov, were cooking up a plot. In principle, the former president of the RSFSR should either fire the leaders of the Security Ministry and the Internal Affairs Ministry, or else sue Poltoranin. But he will do neither the one nor the other. [Sultanov ends]

G. Bush: First, I would like to thank you for organizing our meeting today... There is no one in the new Congress or the new administration who would advocate deviating from the relations of partnership that have become established between our two countries. This situation will continue in future, **on condition that you equally resolutely continue to follow the path of reforms.** The new administration will support you vigorously in this.

I particularly wish to express appreciation of the personal relations that have developed between you and me, which are characterized by a spirit of complete frankness.

If I may, I will begin with the question of how far your new government team is prepared to continue the cause of reforms.

B.N. Yeltsin: ...Concerning your question about the new Russian cabinet of ministers, my reply is this. Of the 40 people making up the cabinet, only four were replaced. They were Foreign Economic Relations Minister Aven and Health Minister Vorobyev for their patently weak work, Deputy Prime Minister Makharadze for using administrative edict methods that are not in keeping with the spirit of reforms, and the education minister for his inability properly to organize his ministry's work. In other words, **the reform team stays virtually as it was.** It includes young ministers as well as older people, but they are all committed to the cause of reforms **and will not allow Chernomyrdin, chairman of the government, to deviate from the reformist course.** It must be added that "the pike is still in the river to make sure the carp don't fall asleep." By this I mean the Russian president, who intends to watch vigilantly to ensure that there is no departure from the strategic course of reform. As for Chernomyrdin's personality, I have known him for 30 years from work in industry. He is someone who is loyal to the president and is in favor of reforms. True, he is sometimes inclined to show a bias in favor of production to the detriment of budget questions, but he has a counterweight in the shape of Fedorov, who was previously working at the London Reconstruction and Development Bank. In the new government he will exercise the functions of deputy chairman responsible for financial, budget, credit, and banking reforms. Despite his youth (he was born in 1953) Fedorov already has plenty of work experience, including some in international organizations, where his name is known. **In general I think the present reform team is no weaker than its predecessor, although Gaydar's departure is a considerable loss. But he will be back, in a high government post./ He has now been appointed director of the Institute for Economic Problems of the Transition Period, which has been set up under the government, and at the same time he is a consultant to the Russian president on economic matters. The heavyweight ministers remain in place—the ministers of defense, internal affairs, and security.**

Let me mention our defense minister, Grachev. He is young, 45, and he is in favor of reforms in the army and the reduction of our arms potential. **You asked me to keep Kozyrev in his post, and I carried out your request.** The ministers of security and internal affairs are firmly on the president's side.

I can also say that we intend to maintain Russia's foreign policy guidelines in future and will advocate the strengthening of partnership relations with the United States, and subsequently the formation of allied relations with it.

I recently visited South Korea and China. Here it must be borne in mind that a significant part of Russia is in Asia, and that we cannot neglect relations with the Asian-Pacific region. But we are fully aware that the United States is a great power and that our two countries are firmly linked by virtue of the nuclear potential they possess, and therefore **in our foreign policy strategy, relations with the United States will remain a priority avenue.**

We, the leadership of Russia, believe that during your presidency a strategic breakthrough was achieved in Russian-U.S. relations. History will certainly record this. **And we, in our strategic foreign policy course, intend to regard the United States as our chief partner...**

G. Bush: ...The only serious obstacle that could arise and that concerns me is this, **and I would like to hear immediately** your reaction on this point. I intend to advise Clinton to maintain close contacts with you on the question of the former Yugoslavia.

We have hitherto been able to cooperate closely on this question. But I am worried lest your historic links with Serbia lead in future to the emergence of tension in U.S.-Russian relations...

B.N. Yeltsin: We constantly support the U.S. position on the problem of the former Yugoslavia, in the UN Security Council and the International Committee of the London Conference as well. However, as the U.S. position becomes tougher we will find ourselves in a more difficult position as regards possible moves by our parliamentary opposition. Here I can imagine the emergence of possible difficulties. **What solution can be envisaged? You intend to send one or two squadrons of combat aircraft to control the airspace of Bosnia-Hercegovina. We, for our part, could propose that they include some of our planes, SU-27's for instance, with our crews.** In that way we could give you assistance without submitting the question to the Supreme Soviet...

I would like to take the opportunity offered by this private meeting to inquire whether you have any remaining doubts about the draft START II Treaty that has been prepared?..

True, it should be said that from the economic viewpoint it will be hard for us to carry out the arms destruction stipulated in the treaty. But, as I understand it, in addition to the $400 million allocated by the U.S. Congress we can count on an additional $400 million, which will go on the destruction of arms at the next stage. Clearly this should not be mentioned in public as yet. That can be done later. Nor will I conceal the fact that we have opponents to the treaty in our parliament. You are lucky; there are none in the U.S. Congress. We have deputies in the Supreme Soviet who support Iraq's aggressive aspirations, to say nothing of the orthodox Communists who take a totally negativist stance and oppose any positive moves. **But I personally intend to be present at the Supreme Soviet sessions in the course of the hearings on the treaty's ratification (although I usually do that very infrequently), and I am confident the treaty will be ratified.**

There remains, apparently, the question of the position of Ukraine and Kazakhstan. I know Nazarbayev has sent you a letter about this. But what he says in it is due to ignorance of the substance of the content of the START I Treaty. Under the provisions of that treaty, over a seven-year period Ukraine, Belarus, and Kazakhstan are supposed to carry out 100-percent destruction of all the strategic arms in their possession. There can therefore be no question of their participation in the implementation of the START II Treaty. This morning, in a telephone conversation with Kravchuk, I asked whether he has any questions about the signing of the START II Treaty today by you and me. Kravchuk said to me that he has no questions, that he welcomes this event, and that Ukraine will issue a special statement on the matter.

G. Bush: During my conversation with him he also tried to assure me in every way that certain figures in Ukraine would apparently like to preserve some part of the nuclear potential that exists there.

B.N. Yeltsin: That is certainly true, although officially the Ukrainian Supreme Soviet has stated that Ukraine seeks nuclear-free status and intends to adhere to the nonproliferation treaty. So I share your concern.

But the main thing, I believe, is Kravchuk's awareness that Ukraine will get nowhere without Russia. Today he proposed a meeting 6 or 7 January to examine economic questions for 1993. He told me that Ukraine will need 45 million tonnes of oil. **Formerly we used to supply them with 40 million tonnes, but this year we have decided to restrict it to 15 million tonnes. That is a nail in his coffin.**

The whole point is that if we start settling our mutual accounts, Ukraine will find itself with a huge negative balance. I think the main thing they are counting on now is to get $1.5 billion from the United States...

L. Eagleburger: I have an agreement with A.V. Kozyrev that in approximately a week's time I will send him a letter which will state that the United States pledges to allocate an additional sum of not less than $400 million, necessary to cover expenditure arising from the fulfillment of the provisions of the START II Treaty.

The allocation of an even larger sum is envisaged. But I am not sure that it can be done by 20 January. The discussions will continue on this point.

Unofficially, we are talking about $100 million in addition to the 400 million. The United States has expressed readiness to grant Ukraine $175 million to cover some of the expenditure associated with conversion. But I made it clear to Ukrainian Foreign Minister Zlenko that the allocation of this sum will depend on Ukraine's adherence to the nonproliferation treaty and its fulfillment of the START I Treaty...

B.N. Yeltsin: I think it is wrong to talk about the United States allocating $175 million to Ukraine for the purposes of destroying strategic arms. After all, they will all be destroyed by Russia, and we are even taking upon ourselves the expenditure involved in transporting them to our territory. It can only be a question of covering a proportion of Ukraine's expenditure in connection with conversion...

J. Baker: You may remember that as a result of very difficult and intensive talks we managed to obtain the consent of Ukraine, Belarus, and Kazakhstan to embark on the ratification of the START I Treaty and adherence to the nonproliferation treaty, although in exchange for this they demanded special consideration for their interests, financial aid, and security guarantees from the United States. We told them firmly that there will be no financial assistance from us, and that we are prepared in exchange only to support their admission to the United Nations as independent states. So we have commitments from Ukraine, Belarus, and Kazakhstan, expressed in treaty form. Approximately a week ago L. Eagleburger reminded them of the need to observe these commitments, adding that otherwise there could be negative consequences regarding the state of their relations with the United States...

B.N. Yeltsin: Let me now go on to discussing economic matters. In general one can note the dynamic process of development of Russian-U.S. economic relations. We can see that despite its domestic economic difficulties the United States is fulfilling its commitments in supporting the reforms in Russia. We have also noted the fact that it was under you, not under Clinton, that an improvement took place in the economic situation in the United States, and the economic growth rate reached 2.7 percent. So you kept your promise to the American people. But we are still concerned as to whether Clinton promised too much in his election campaign, and whether he may later have occasion to reconsider his promises, to the detriment of economic relations with Russia...

G. Bush: Indeed, during the presidential campaign there was a lot of pure rhetoric from Clinton, some of it in support of isolationist trends... Allow me to offer you this advice. During your meeting with Clinton, try to

reaffirm your commitment to the reforms and your intention to continue to follow the path of financial and budget reforms. The attainment of progress on the question of restructuring your foreign debt even before Clinton takes office would also be a guarantee of the new administration's support for Russia.

B.N. Yeltsin: That is the subject I wanted to broach next. Within the framework of the Paris Club, preliminary agreement has, I believe, been reached. Now it will all depend on the position of the London Club. I have had a discussion with Krupp, chairman of the London Club. As I understand it, he and G-7 support the idea of a deferment, especially since Russia has taken on commitments as regards paying off the foreign debt of the former Soviet republics...

There is also the problem of our current debt to the United States, on the order of $158 million. We would like a deferment on that too, if only for a year... And you have just struck a new blow against us by stopping grain shipments...

G. Bush: Here there is one obstacle from the viewpoint of U.S. legislation. When, in November, Russia stopped extinguishing credits, as President I was unable to confirm its solvency. In order to resume credits, Russia must extinguish its debt...

B.N. Yeltsin: What is the solution? China has offered to sell us grain, it is prepared to grant us 20 million tonnes, but we would like to continue to buy American grain...

Let us go on to the next question. Do you expect the question of access to the American market for Russian uranium to be settled by 20 January, under the present administration?..

B. Scowcroft: We are close to an agreement on high-grade uranium. At the moment the only problem remaining unresolved is that of the proportion of revenue due to Ukraine, because it regards this as its own uranium. Agreement also looks possible on low-grade uranium...

B.N. Yeltsin: I propose that we now move on to the general meeting [vstreche v shirokom sostave]...

Official Comments on Pickering's Appointment

OW2801145493 Moscow INTERFAX in English 1436 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] The director of the North America department of Russia's Foreign Ministry, Iosif Podrazhanets, has told Interfax that his view of the appointment of 62-year-old Thomas Pickering as Washington's ambassador to Moscow is optimistic. "Pickering is known as a highly professional career diplomat with a rich experience," he pointed out. "The previous, Republican, Administration assigned him to deal with the most crucial, "hot" foreign-policy issues."

Judging by reports from Washington, the highranking Russian diplomat said, the U.S. Senate will approve the candidacy of Pickering without problem.

Earlier Pickering served as Washington's ambassador to Israel, Jordan, El Salvador and Nigeria; under the Bush Administration he was Washington's ambassador to the U.N.

Under the Republican Administration its ambassador to Russia was Democrat Robert Strauss, and now the Democratic Administration has decided to appoint a Republican as its ambassador to Russia. In both cases the appointments were obviously due to the fact that Strauss and Pickering are diplomats of the highest class, said Podrazhanets.

More detailed information on the appointment of the new American ambassador is published in today's edition of Diplomatic Panorama.

Pickering Profiled

PM2801144593 Moscow IZVESTIYA in Russian 28 Jan 93 p 3

[Report by Aleksandr Shalnev: "New U.S. Ambassador to Russia Is a Career Diplomat"]

[Text] Washington—Thomas Pickering, a career diplomat, has been appointed new U.S. ambassador to Russia.

This was announced on Tuesday by White House official spokesman George Stephanopoulos, who said: "The President met with Ambassador Pickering last month in Little Rock. The President was deeply impressed by the ambassador's knowledge and his wisdom and he asked Mr. Pickering to accept the post in Russia, since he believes there is no issue more important than that of assisting our Russian friends in their efforts to create democratic institutions and a free market system. This task, of course, is worthy of Ambassador Pickering's extraordinary talents."

Pickering, who currently heads the U.S. Embassy in Delhi, has yet to go through the Senate approval procedure. There should be no problems with this, although, at the hearings, he will no doubt be reminded of certain not very happy moments in his career, above all, his involvement in the "Iran-contra" scandal.

What is really curious about Pickering's career is the kind of political exile he was sent into by James Baker, the former secretary of state. Pickering, U.S. permanent representative to the United Nations at that time, was not only active, but was very prominent during the crisis in the Persian Gulf. His picture, taken at key sessions of the Security Council or General Assembly, was often on the front pages of U.S. newspapers. Baker, who, in his vanity was convinced that their could be only one creator

of foreign policy, decided that Pickering was too "visible," and, despite protests from UN diplomats, he removed Pickering from the United Nations, sending him to India.

Pickering, 62, will be working closely with Strobe Talbott a TIME magazine editor. The other day Talbott was appointed the U.S. secretary of state's special ambassador responsible, according to the White House announcement, "for the new independent states of the former Soviet Union."

Kozyakov Reviews U.S. Foreign Policy on Russia

LD2801210193 Moscow Radio Moscow World Service in English 1810 GMT 28 Jan 93

[Commentary by Vladislav Kozyakov]

[Text] The new American Administration is shaping its foreign policy concept, part of which is relations with Russia. Here is a commentary by Vladislav Kozyakov:

In fact, all U.S. policy makers agree that the United States should take new world realities into account. Consequently, while consolidating its leadership, America should seek agreement in the United States and, of course, support democracy everywhere, especially in Russia and former Soviet republics. A realistic approach, isn't it? It is also gladdening that shortly after Bill Clinton's inauguration an agreement has been reached to prepare a Russo-American summit. And one of the first organizational decisions of the new President has been the institution of an office of ambassador for special relations to coordinate all U.S. policy toward Russia and other newly independent states. As Senator Richard Lugar has remarked, the decision testifies to the administration's intention to apply more effective efforts to assist reforms in Russia. However, it has turned out these days that the ship of Russo-American relations can run against submerged reefs, perhaps left over by the former U.S. Administration. This way or another, Russia has been confronted with one-sided American political actions in the spheres that affect its interests and world security. Commenting on these actions toward former Yugoslavia and Iraq, President Yeltsin has remarked that the United States are inclined to dictate their terms and has warned that Russia's and American policies need go their way on that. When the spokesman for the Department of State, Richard Boucher, commented on this statement at a briefing in Washington on Tuesday, he referred to the UN Security Council's resolutions adopted in cooperation with Russia. But the point is that some U.S. actions, like the rocket shelling of Baghdad suburbs, clearly required fresh consultations and Security Council debates. Such is not only Moscow's view. The French foreign minister, Roland Dumas, has declared in Paris that the American bombing of Baghdad with cruise missiles exceeds the mandate given by the United Nations. The Vatican, many Arab, and some Western countries have urged Washington to turn to a dialogue with Baghdad. As William Raspberry notes in THE WASHINGTON POST, if the United States follows Mr. Bush's policy it can find itself in political isolation in that part of the world. In short, one-sided U.S. actions are improper, and not only for U.S. relations with Russia. Of course, there may be differences in relations between all countries, the United States and Russia included. But there is a tested method to resolve differences. This method includes timely consultations, negotiations, mutual respect for each other's interests, and the use of UN mechanisms. If these principles are followed the ship of Russo-American partnership can get around any reef, left over from the past.

Ministry Reportedly Pushing for Iraqi Oil Imports

OW2901143893 Moscow INTERFAX in English 1409 GMT 29 Jan 93

[Following item transmitted via KYODO]

[Text] The Russian Foreign Ministry is actively attempting to convince the international community that Iraq should be allowed to deliver oil to Russia in order to pay off its debt to the former Soviet Union. The ministry asked that Russia's serious economic difficulties be taken into consideration in the matter. The announcement was made during an interview with a high-ranking Russian diplomat who asked not to be identified. He explained that Iraq owed the former USSR 10 million tons of oil which was reexported to India before the introduction of United Nations sanctions. "The ideal thing for us," said the diplomat, "would be a resumption of the re-exporting of Iraqi oil to India." He noted that the question of oil deliveries had been discussed at negotiations conducted by President Boris Yeltsin in Delhi.

Earlier, highly-placed diplomatic sources told INTERFAX that as part of his preparations for his visit to India, President Yeltsin had issued a directive according to which the Foreign Ministry was to "undertake activities with Iraq and other interested parties" with the goal of establishing "conditions under which the sanctions brought against Iraq could be lifted, and oil deliveries to Russia be restored so as to pay off debts to the former USSR." These sources, which are seen as being highly reliable, said that the directive was numbered 47 and issued on 19 January.

Russian Volunteers To Fight for Iraq Against U.S.

AU2801153993 Prague LIDOVE NOVINY in Czech 26 Jan 93 pp 1, 16

[Interview with Gennadiy Kazantsev, assistant of Vladimir Zhirinovskiy, chairman of the Liberal Democratic Party of Russia, by Petra Prochazkova in Moscow; date not given: "They Are Ready in Spirit"]

[Excerpts] By giving everyone a kiss and a friendly pat on the back, Vladimir Zhirinovskiy, chief of the Liberal

Democratic Party of Russia, bade farewell at Sheremetevo Airport in Moscow on Sunday [24 January] to nine volunteers departing for the Persian Gulf. They are determined to fight alongside Saddam Husayn's supporters and, according to Zhirinovskiy's assistant, Gennadiy Kazantsev, their assignment is to destroy U.S. military equipment, particularly warships, and thus contribute to halting the aggression against Iraq. The group supposedly also includes "kamikazes" ready to sacrifice their lives for the just cause. [passage omitted]

We asked Zhirinovskiy's assistant, Gennadiy Kazantsev, one of the principal organizers of the operation, for an interview.

[Prochazkova] How many more volunteers are ready to leave for Iraq?

[Kazantsev] Some 300 people are ready to leave right now. They will be departing gradually because of shortage of seats on the planes.

[Prochazkova] What criteria have been used to select them?

[Kazantsev] This is primarily a question of readiness of spirit. It goes without saying that not all of them could be sent to war immediately. The volunteers include some young people who are not prepared for the tough conditions of war. They are waiting and learning....

[Prochazkova] Is it possible for women to apply?

[Kazantsev] Of course. But they must have exceptional abilities. One has left for Iraq already. She is a journalist who has had training as a nurse. One of her assignments is to ascertain the condition of Iraqi hospitals.

[Prochazkova] Has any limit been set on the volunteers' age?

[Kazantsev] No. Among those who have left is, for instance, Mr. Khalitov, who is over 60. He is an envoy of our Muslims and wants to ascertain to what extent the Americans are destroying holy places in Iraq. Mr. Khalitov also wants to visit Mecca, where he is expected by other believers. They all are ready to meet at that holy place with that godless person Bush, who is to go there to repent his sins. If he does not come, they are ready to find him where he is now, building his ranches.

[Prochazkova] So it means that the volunteers are not all Russian.

[Kazantsev] Virtually all the nationalities that were part of the USSR are volunteering. Mr. Khalitov, for example, is a Tatar but we also have Ukrainians, Belarusians, and so forth.

[Prochazkova] Are you fighting just against the Americans or are the other countries that are opposing Iraq in the Persian Gulf your enemies as well?

[Kazantsev] We have always been told that American imperialism was our chief enemy. Now it is being claimed that America is our best friend. We do not change our views overnight and therefore we defend the positions that were upheld by the Soviet Union. The Americans are today declaring that they have interests in the Baltic states and the other republics of the USSR. Soon they will creep into our own kitchen and claim that Russia belongs to the sphere of American interests. It is therefore necessary finally to give the Americans a bloody nose.

[Prochazkova] The volunteers have had to leave without arms....

[Kazantsev] Everything was agreed in advance, and they are waiting for them. I was in Iraq recently and met with Saddam Husayn in person and many colonels from the General Staff. They showed interest in our specialists and promised that they would provide for them fully.

[Prochazkova] The Press Department of the Iraqi Embassy in Moscow told us that they learned about the volunteers' expedition only from television and are therefore unable to make any comment.

Draft Agreement Approved on Elimination of Nuclear Arms

OW2901144493 Moscow INTERFAX in English 1410 GMT 29 Jan 93

[Following item transmitted via KYODO]

[Text] The Russian Government has approved the draft agreement with Germany on assistance in the elimination of Russia's nuclear and chemical weapons. This draft document was coordinated with German experts and presented by the Russian Foreign and Defence Ministries, the Ministry for Atomic Energy and the president's Committee for the Conventional Problems of Chemical and Bacteriological Weapons.

According to this document, Germany will give Russia free assistance in the elimination of nuclear and chemical weapons in Russia.

In line with the Russian Government's resolution of December 17, following finalization, the agreement will be signed by the Russian minister for atomic energy.

NATO's Shalikashvili Visits, Holds Talks

PM2801152993 Moscow KRASNAYA ZVEZDA in Russian 28 Jan 93 p 1

[Russian Federation Ministry of Defense Press Service report: "Official Visit"]

[Text] General J. Shalikashvili, NATO supreme allied commander Europe, arrived in Moscow 27 January on an official visit at the invitation of Army General Pavel Grachev, Russian minister of defense.

The guest and his party were welcomed at Sheremetyevo Airport by Colonel General V.I. Mironov, Russian

deputy minister of defense; Colonel General of Aviation P.S. Deynekin, commander in chief of the Air Force; Admiral F.N. Gromov, commander in chief of the Navy; and other officials. Air Commodore F. Wilkinson, defense attache at the British Embassy in Russia, was among the welcoming party.

In the afternoon A.A. Kokoshin, Russian first deputy minister of defense, and Colonel General M.P. Kolesnikov, chief of the Russian Armed Forces General Staff, met with Gen. J. Shalikashvili. The meeting took place in an atmosphere of frankness, mutual understanding, and trust. On the same day Gen. J. Shalikashvili laid a wreath on the Tomb of the Unknown Soldier at the Kremlin Wall.

Meets Rutskoy

LD2801171393 Moscow ITAR-TASS in English 1628 GMT 28 Jan 93

[By ITAR-TASS correspondent Vasiliy Titov]

[Text] Moscow January 28 TASS—Russian Vice President Aleksandr Rutskoy met with Commander-in-Chief of NATO Joint Armed Forces, John Shalikashvili, who is currently on an official visit to Moscow.

During a nearly one-hour long meeting the sides discussed prospects for the development of contacts between the Russian military and NATO and exchanged opinions about the withdrawal of Russian troops from Germany and Baltic states and discussed international problems.

The two sides agreed that possibilities for more close Army contacts exist today. Joint military exercises, training of servicemen, exchange of instructors and the participation in peace-keeping operations in conflict zones were mentioned among practical directions of cooperation.

Rutskoy positively assessed the realistic stand taken by NATO leaders on the issue of the terms of the withdrawal of Russian troops from the Baltic states. He pointed out that Russia, which faces considerable difficulties in guaranteeing acceptable social conditions for withdrawn troops, is not seeking to deliberately procrastinate this process.

Outlining his position in the situation around Iraq, the vice president said that he adhered to the consistent implementation of U.N. Security Council resolutions, primarily economic sanctions.

Shalikashvili told TASS that he was satisfied with the content of the meeting and its constructive character. He said ways were outlined "for passing over from words to deeds in a dialogue on mutual contacts between Russian Armed Forces and NATO." According to Shalikashvili, prospects were discussed for the ratification of START-2 Treaty. In this connection Shalikashvili commented on Ukraine's position, saying that the "world would not understand its refusal to ratify such an important agreement."

Shalikashvili said that during discussion of the Russian troops withdrawal from Germany and the Baltic states he expressed his understanding of the complexity of the problem for Russia.

Chernomyrdin Leaves for Economic Meeting in Switzerland

LD2901092793 Moscow ITAR-TASS in English 0825 GMT 29 Jan 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow January 29 TASS—Chairman of the Russian Council of Ministers Viktor Chernomyrdin flew to Davos, Switzerland, today morning. He will take part in the international meeting of world economic leaders, which is being held there by the "World Economic Forum". It is to be attended by representatives from twenty countries of the world at the level of premiers and government members.

Chernomyrdin is accompanied by vice-premiers Aleksandr Shokhin, Anatoliy Chubays, and Boris Fedorov, and by chairman of the Russian Union of Industrialists and Businessmen Arkadiy Volskiy, who were officially invited to Davos.

Chernomyrdin, judging by his preliminary agenda, also plans to meet the president of the Swiss Confederation, the prime ministers of the Netherlands and Poland, as well as the heads of several firms and leading world banks.

The Russian premier is expected to return to Moscow on January 31.

Political Issues

Zorkin on Court's 'Peacemaker' Role

PM2801171993 Moscow IZVESTIYA in Russian 28 Jan 93 p 5

[Interview with Constitutional Court Chairman Valeriy Zorkin by Leonid Nikitinskiy of "'6th Story' Independent Journalists' Agency"; place and date not given: "Valeriy Zorkin Again in Role of Peacemaker]

[Text] [Nikitinskiy] When arranging this meeting with your press secretary, Anna Malysheva, I noticed on the table in her office a pile of books on the study of conflict. Did she put them together at your request? You evidently believe, don't you, that your role as judge and peacemaker, which you played so successfully at the December congress, will be repeated?

[Zorkin] The study of conflict is a science which is totally and absolutely practical and very useful in our everyday political life. It is necessary to use the devices of mediation, that is, to mediate the resolution of complex conflicts, to reconcile the group, class, social, and national differences which have been generated in our own history and in world history.

The court is now conducting a series of meetings—and hopes to make them regular—with representatives of political movements, trade unions and working people in general, entrepreneurs, the republics, krays, and oblasts, and with members of the press with a view to stabilizing the constitutional system. For example, last week we conducted a "roundtable" with activists of parties which are opposed to and outwardly even hostile to one another, but to our pleasure it transpired at this meeting that there are quite a few aims and ideas that actually unite rather than separate people....

The "roundtable" is, of course, not so much a form as a conception of civil accord. What it is not is representatives of various political parties getting together and beginning to divide up portfolios in the government or seats in parliament. We should move through agreement, understanding, and mutual instruction, and not by pushing each other into the chaos of a quasimarket, in the same way that people throw a child into the water because they think that this is the best way to teach it to swim. In this way it might also drown.

What have we achieved through disputes, uncoordinated actions, and tug-of-war methods? There is no reform, but the economic mechanisms are being destroyed, and all of us—from plant directors to people on the street purchasing french sticks—have turned out to have been sucked into a mafia-style economy, and the body of society has been stricken with corruption, like metal which was once strong and has been affected by corrosion. The threat of the state's criminal degeneration is a real one.

[Nikitinskiy] It is all the more difficult in such a society to create mechanisms of accord by relying not on surgical but on theraputic means. On the one hand there are forces which actively oppose accord and peace; and on the other, society as a whole is losing patience. What are you hoping for after studying this pile of volumes on the study of conflict?

[Zorkin] If we allow the corruption to spead even deeper, then this will already be, hell, the end of us. But society, thank God, does have its healthy forces—which also exist among representatives of the central and regional power structures—who realize that corruption is not only bad but fatal. Therefore, if we find these healthy sectors, we should rely on them and release into society an internal pathological instinct, an instinct to reject the damaged cells and regenerate the healthy ones.

No one will save anybody if this craving to conquer the disease is not aroused and does not prevail. Therefore we should stop our squabbling, extend the hand of friendship to each other, to everyone who is disposed toward accord, and nurture the body of this accord until its heart begins to beat normally of its own accord.

[Nikitinskiy] There appeared the other day in a newspaper a piece on milk tanker drivers who throw a piece of butter into the milk tank, and when it goes over the bumps, the butter gets churned up, increases in size, and by the end of the journey a small piece turns into a large one....

[Zorkin] If we close our eyes to the dubious legality of this enterprise, then we should do the same. It is necessary to rotate our "roundtable," representing the idea of civil peace, and people will strive after accord. Those who are drawn in another direction will stand out more clearly, and an opportunity will emerge to bring the full force of both public opinion and the law to bear on them. Incidentally, we in the Constitutional Court do not claim to be the chief or, even less so, the sole initiators of this process.

[Nikitinskiy] Modesty graces the chairman of the Constitutional Court, but on one occasion you really did succeed in performing the role of peacemaker indicating the path to accord. But the agreement reached at the congress is already in doubt again, and from opposing standpoints. Evidently, the main field of battle between the parliamentary and presidential structures will now be the constitutional referendum?

[Zorkin] The referendum clause was included in the peace treaty as an element without which it could not have been concluded at that moment. But there are other elements there, many of them, and it is necessary to see which of them are ends and which are the means, the method of achieving the ends.

Here, it seems to me, one has to be guided by the general laws of the conservation and saving of energy. Do we need a steam hammer to stick on a stamp? What, in that case, will remain of the envelop, the table, and the people who are sitting at this table?

Our attitude toward the referendum must depend on how it is conducted and for what reason. In a certain

situation it may cause a social explosion, but so could not holding it, since it has already been promised.

[Nikitinskiy] Yes, it really has been promised, and promises are for keeping. Did the Constitutional Court limit its role to that of an intermediary in the work to produce the parliament-president agreement, or is it also going to act in the role of guarantor of its observance?

[Zorkin] There is no point exaggerating the Constitutional Court's potential. Those to guarantee the agreement must be the parties to the agreement themselves and the whole of society—to the degree that it is striving for civil accord, and not for internecine strife. At the same time, the sides which reached the agreement and all participants in the accord must continually monitor its fulfillment and what the implementation of its individual points are leading or may lead to. If the implementation of some of them leads away from the general aim, I do not rule out the possibility of it's being returned and amendments being made—but, under no circumstances, unilaterally.

[Nikitinskiy] In an extensive article in ROSSIYSKAYA GAZETA [Russian Federation Supreme Soviet Chairman] Ruslan Khasbulatov outlined what was essentially a program of how, without canceling the referendum, to emasculate the questions submitted to it, thereby reducing to zero the significance of the referendum....

[Zorkin] I do not want to assess this article now. However, I would like to stress that a devaluation of the significance of the referendum will lead to a situation in which people will not turn up at the polling places, and the failure of the vote will provide a reason for one branch of power to demand the resignation of the other. This is liable to result not in the achievement of accord but in its destruction, and therefore this path cannot be the correct one. We must prevent the referendum again being used as a battlefield for mainly political ambitions.

[Nikitinskiy] Can the Constitutional Court participate in formulating the questions to be submitted to the referendum? Does it have the right to pronounce its opinion only if the questions sound blatantly anticonstitutional, exercising the right of veto as it were; or can its demands be stated in a broader sense?

[Zorkin] But what are we to understand by the term "anticonstitutionality"? To me, everything that destroys the constitutional order currently in effect, which we have a duty to protect, is anticonstitutional. Whether it is good or bad, constitutional order is better than anarchy. The main thing is to avoid excessive behavior, to learn to observe the Constitution, and to stabilize the constitutional structure. We must not allow the referendum, extraordinary elections, and other such methods to be used for the purposes of confrontation. That way we will never arrive at routine elections, stability, and order. In this respect we will indeed give the sides some advice, if they want to listen to us.

Thank you for your high assessment of the Constitutional Court's peacemaking role, but I beg to note also that we do not need conciliation at any price. Active civil peace must be based on solid positions. Only then does society have the chance to prevail over those who do not want peace.

Khasbulatov Calls For General Elections in Spring 94

MK2901082993 Moscow NEZAVISIMAYA GAZETA in Russian 29 Jan 93 p 1

[Yevgeniy Krasnikov report: "As Soon as Boris Yeltsin Leaves the Country, Ruslan Khasbulatov Again Calls Into Question the Idea of a Referendum and Urges People To Prepare for General Elections"]

[Text] Ruslan Khasbulatov met with representatives of the Forum-90 Association of Young Business People and Politicians in the White House Wednesday, 27 January.

"I keep thinking about how to interest the people in a referendum on the Constitution. Maybe the last question could be worded thus: Do you agree that general elections of the president and the entire body of deputies should be held in spring 1994?"—Khasbulatov said to his guests.

These unexpected words prompted animated approval among the young politicians present at the meeting. "I seem to have hit the spot with my idea," Ruslan Imranovich noted with a smile.

Khasbulatov explained that he is very skeptical about the upcoming referendum, because it will not result in victory for any political side, but will only help Russia's disintegration. In order to avoid "great upheavals," it was initially proposed that the process of forming a new Russian Constitution would move "gently," through the gradual introduction of amendments to the former document.

"However, it turns out that we are prisoners of Congress' decisions. These decisions were imposed on us, but now they have to be obeyed," Khasbulatov observed.

The speaker hopes that by putting to a referendum the question of the possibility of general elections, deputies will display goodwill and show that they do not intend to engage in a power struggle and are prepared to surrender their powers a year before the allotted time. Ruslan Khasbulatov himself does not intend to participate in new elections: "Two and a half years in the job is quite enough for me."

Ruslan Khasbulatov told the young politicians that, in his opinion, both the Law on Elections and the Law on the President should be changed in time for the new elections. "I myself am to blame for the fact that the Law on the President, which I put through the Supreme Soviet and Congress, proved to be personalized, made to suit a specific individual. But at that time nobody had

any idea that the Russian state would be totally autonomous. There was the Union power above us, which could sort everything out somehow," Khasbulatov stated.

By all appearances, the Russian speaker thinks that the danger of the emergence of an authoritarian terrorist regime in the country is a very real one. "Such an attempt could take place even before the referendum," he told your NEZAVISIMAYA GAZETA correspondent.

The only means of averting the threat of dictatorship, in Khasbulatov's view, is to prepare public opinion for the idea that general elections will take place without fail in spring 1994. "Come what may: whether the referendum takes place or not. So you can start the election campaign right now," Khasbulatov advised the young politicians.

The fact that the members of the Forum-90 association of young political and business leaders were the first to hear about such an important decision by the parliament chairman is highly symptomatic. Basically the association represents all the centrist and moderate opposition forces on whose help and sympathy the Russian speaker can rely.

Forum-90 includes young members of the leadership of the Civic Union and the Union for the Rebirth of Russia, Christian democrats, businessmen, journalists—in short, all those who, as Forum President Dmitriy Rogozin noted at the meeting, "hope that their career has yet to reach its peak."

In conversation with your NEZAVISIMAYA GAZETA correspondent, Rogozin noted that he is very pleased with how the meeting went. "I was impressed by Khasbulatov's restraint, his desire for compromise. His statement on the need for speedy general elections came as a pleasant surprise for me. I hope that representatives of our association will meet with the premier and the president in the near future. One hopes they will support this stance by the Supreme Soviet chairman," Dmitriy Rogozin remarked.

Security Ministry Worried by Possible Nuclear Blackmail

OW2801150993 Moscow INTERFAX in English 1435 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] Russia's First Deputy Minister of Security, Nikolay Galushko, expressed deep concern about the possibility of nuclear blackmail in the Russian Federation. He told Interfax on Wednesday [27 January] that several anonymous threats in relation to nuclear power plants were made last year. He also said that all of those facts had been thoroughly investigated. Training programs for the protection of nuclear power plants were organized with this ministry's assistance.

Galushko also emphasized the importance of ensuring the security of the depots, where nuclear weapons to be eliminated in accordance with international agreements, will be stored. This refers above all to the storage of nuclear materials, including nuclear warheads. To quote Galushko, the military counter-intelligence is in charge of these problems.

He also stated that according to his ministry's sources, there are no major terrotrist groupings in the Russian Federation. The worst danger is coming from the "terrorist tendencies" in the zones of ethnic conflicts, including North Ossetia and Ingushetia, he continued. He also added that attempts are being made to revive the criminal groupings which are trying to influence the alignment of forces in the regional administrative bodies.

Last year, the Ministry of Security investigated several cases of terrorist threats against diplomatic missions in Moscow, said Galushko.

He also stated that implementing the resolutions of the 7th congress of people's deputies, connetced with crime prevention, his ministry is taking measures to intensify investigation activity. The Ministry of Security will also take part in drafting laws regulating such activity. To quote Galushko, on February 12, Moscow will host an all-Russia conference on combatting crime.

Not long ago, President Yeltsin announced plans to launch an all- out attack on crime, he said.

Asked by Interfax whether top officials should undergo a check in the Security Ministry before being offered a job, the way this is done in the US, Galushko said that to some extent this practice may help eradicate corruption.

Opposition's Baburin on Domestic, International Issues

OW2801175093 Moscow INTERFAX in English 1714 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] Sergey Baburin, one of the leaders of the Russian Unity oppositional parliamentary bloc, feels the main task of domestic and foreign policy is to reverse the centrifugal tendency in the Russian state. Presenting the opposition's viewpoint on Russia's national priorities at Moscow's International Press Club on Thursday [28 January], he gave precedence to issues of ensuring the nation's security, sovereignty, and territorial integrity.

Baburin believes that Russia must continue its reforms course, but with consideration for Russian traditions and based on the experiences of Asian countries such as Japan, South Korea, and China. "We are not demanding that Russia turn away from the West and begin looking toward the East," he noted, "but we want those who

determine our foreign policy today to remember that [in addition to] the West, there is the East, the South, and the North."

Baburin said the opposition was in favor of "immediate protectionist measures for the development of domestic enterprise and industry." Foreign investment in the Russian economy, mainly from developed Western nations, should not transform Russia into an adjunct source of raw materials, he feels.

Regarding Russia's relations with former USSR republics, Baburin called for Russia to deny former republics economic subsidies, and said Russia should begin requiring payments from them in accordance with world prices. He strongly emphasized that Russia should maintain its military bases in the Baltic states. Baburin believes the Baltic states, like Tajikistan and the Central Asian republics, "are and will be areas of vital interest to Russia."

Paper Comments on Chernomyrdin Apparatus Reshuffle

PM2801143593 Moscow KOMSOMOLSKAYA PRAVDA in Russian 28 Jan 93 p 2

[V. Prokhvatilov report: "Stockings But No Jeans Is Premier Chernomyrdin's Order to Female Colleagues"]

[Text] Premier Chernomyrdin is a serious man. Maybe more serious than the people who nominated him. His attempt to issue an edict on price-fixing was just a probing action.

Having reconnoitered, he has embarked on his preparations for a major battle. First and foremost, he needs **his own staff**—and V. Chernomyrdin is dissolving the government's group of advisers. Instead of the former chancellery, he will have a secretariat to which he will appoint **his own advisers**. Second, he needs an advantage in the "artillery"—as Napoleon would put it. Either loyalty, or—better still—the support of power structures. And V. Chernomyrdin is setting up a special subunit to monitor [kontrolirovat] the power ministries. In order to stay in power in a totalitarian society it is necessary to have your own spies who can keep an eye on political rivals. It was for just this purpose that Napoleon employed Fouche, his chief of secret police. Admittedly, Bonaparte had another supersecret police force to keep an eye on Fouche himself.

Third, you have to be respected, and issue a warning. And V. Chernomyrdin has ordered females working with him to wear stockings to work and not to wear jeans...

Later, having mobilized his guard, all Viktor Stepanovich will have to do is use Napoleon's famous phrase: "Guard—into battle!"

Accused Putchists' Trial To Start 14 Apr

MK2701102593 Moscow MOSKOVSKAYA PRAVDA in Russian 27 Jan 93 p 1

[Unattributed report: "Trial of Members of the State Committee for the Emergency Situation Is on 14 April"]

[Text] Anatoliy Ukolov, deputy chairman of the Russian Supreme Court's military collegium, announced yesterday his decision to start legal proceedings against the persons implicated in the State Committee for the State of Emergency case on 14 April. The trial will be held at the Russian Supreme Court in Moscow. It was simultaneously decided to free from custody all members of the Coup Committee and select an alternative punishment for them—they should sign a pledge not to leave the city.

Anatoliy Ukolov said during his meeting with journalists that court proceedings were being started against the 12 men—Gennadiy Yanayev, Anatoliy Lukyanov, Valentin Pavlov, Vladimir Kryuchkov, Dmitriy Yazov, Oleg Shenin, Oleg Baklanov, Valentin Varennikov, Yuriy Plekhanov, Vyacheslav Generalov, Aleksandr Tizyakov, and Vasiliy Starodubtsev. They all are charged with high treason involving a plot to seize power, while Yanayev, Lukyanov, Kryuchkov, Yazov, Plekhanov, and Generalov are also charged with exceeding their powers.

According to Anatoliy Ukolov, the case will be tried in open court by a collegium of one judge and two people's assessors. The group of state prosecutors includes eight people. There are 21 lawyers for the defendants.

Poptsov Interviewed on Yeltsin TV Edict

PM2901103193 Moscow ROSSIYSKIYE VESTI in Russian 27 Jan 93 p 2

[Interview with Oleg Poptsov, chairman of the All-Russian State Television and Radio Broadcasting Company, by Tatyana Akkuratova; place and date not given: "Television—Olive Branch or Bone of Contention?"; first paragraph is introduction]

[Text] The Russian Federation president's edict "On Granting the All-Russian State Television and Radio Broadcasting Company [ARSTRBC] the Status of a Statewide Television and Radio Company" has elicited from a very wide range of the mass media a practically unambiguously adverse interpretation—"RTV [Russian Television] takes over 'Ostankino's' first channel" and "This is a further strengthening of presidential structures." ROSSIYSKIYE VESTI correspondent Tatyana Akkuratova talked about the significance of this document with ARSTRBC Chairman Oleg Poptsov.

"This can probably be explained," the company's leader said. "The intensity of passions in society now is such that this is the usual reaction to any document, be it a presidential edict or a decision of parliament or the government: 'What lies behind it? Why is it like this, and not different?' We are so accustomed to reading between the lines that even the point in the edict which speaks of

the need to develop a network for the dissemination of RTV programs has provoked a squall of rumors, fabrications, and assumptions such as that RTV is taking over the first channel. Such nonsense is pardonable in nonspecialists, but it saddens me to hear such claims from my 'Ostankino' colleagues. Even an assumption of pretensions to the first channel is insulting to us, because we respect our colleagues, they began and developed our television, the first program is our common property, and people do not speak ill of a saint.

"In actual fact, the president's edict implies a further improvement in the dissemination of programs, in their standard, and in the quality of their reception. Suffice it to say that even in Kaluga Oblast and in certain rayons of Vladimir Oblast the second channel's reception quality is execrable. It seems to us that the edict's task is to help to create a more sensible and more efficient regime for RTV and to eliminate rough edges and lack of coordination among the structural subdivisions and creative collectives of various television companies."

[Akkuratova] Assumptions are being made that the edict is an attempt to strengthen the presidential team's influence over television and radio during the period of preparation for the 11 April referendum and in a situation of grave confrontation between the legislature and the executive...

[Poptsov] The document took more than three months to prepare, and it passed through all the torments of a bureaucratic hell, obtaining 14 official stamps, and so it is disrespectful to the president and disrespectful to us to say that it was tailored "to the referendum" and signed "in a rush." It is gratifying that the very first point in the edict fully supports the Supreme Soviet's position with regard to RTV, defining it as an all-Russian, interethnic, statewide company. This attests to the unity of the views of the executive and the legislature. The edict also states that the Russian Television and Radio Company works in close cooperation with the legislature, i.e. the unity of the interests of the two branches of power in the interests of developing democracy and reforms is once again confirmed.

[Akkuratova] What changes in television will the viewer notice on switching on his set?

[Poptsov] The fourth channel, in going over entirely to RTV jurisdiction and to an expanded volume of broadcasting, is devoted entirely to problems of enlightenment, education, science, and culture—spirituality which was the first to fall under the wheels of the crisis of the system and suffered particularly badly.

As is well known, the two presidents—M. Gorbachev and B. Yeltsin—once signed a protocol on an interim status for the transitional period, during which both "Ostankino" and RTV would operate the fourth channel, using it for humanities programs. We proposed the concept of a general educational program, the concept of "Russian Universities." Our colleagues chose a mixed, entertainment and commercial concept. We are convinced that Russia can afford the luxury of having a channel entirely devoted to humanities broadcasting. It will belong to schools, higher educational institutions, and young people, who are also trying to grasp, in particular, the science of business and the niceties of privatization, share flotation, insurance, the tax system, and conversion. We will cooperate closely with the interested Ministries of Culture and Education and with the Academy of Sciences. I have a dream that the history faculty of the "Russian Universities"—this is what the channel will be called—will be headed by Academician Panchenko, and the economics faculty by Academician Abalkin or Academician Petrakov.

The viewer will not see advertisements or gangster movies on the fourth channel, but this does not mean that there will be no movies at all. After a lecture on the Decembrists, let us say, it will be perfectly appropriate to show the film "Star of Captivating Happiness."

[Akkuratova] But will RTV have sufficient resources and technical potential to implement what is planned?

[Poptsov] Of course, it is impossible to raise the channel by using RTV's resources alone. We hope to work in close contact with our "Ostankino" colleagues. We have somehow forgotten that there was a brilliant general educational program on the fourth channel, and the majority of its employees are now on the RTV staff.

As regards technical facilities, we are experiencing colossal difficulties, and the potentials of "Ostankino" and RTV are strikingly different in this respect, but we do not intend to take anything away from anybody. In setting up RTV as a new information broadcasting continent, we have abandoned the typically "Soviet" principle of "sharing everything" and taken over the museum-piece Shabolovka—the Japanese once asked for some of its equipment to be sold to them for the Sony museum, but we work there. The phrase in the edict about a plan of measures to develop the television program dissemination network signifies precisely the elaboration of a long-term program for the development of Russian television and radio, and not the switching of RTV to the first channel. But things will soon become easier for us—Russia will get its own television center, and it will have new-generation equipment. At Shabolovka we have bought an uncompleted 14-story building from the Defense Ministry and, if we get the necessary funds, we will have a modern television complex in two and one-half years' time.

[Akkuratova] What will "nonexclusive use" of the "Moskva-Globalnaya" system, as provided for in the edict, provide?

[Poptsov] Our embassies and other services of ours abroad receive broadcasts over this system. The channel can now be used also to popularize RTV programs there—the Russian-speaking population there is growing constantly. Hitherto only "Ostankino" programs have been transmitted via "Moskva-Globalnaya." This is an artificial restriction on the field of information, and our

claims boil down to drawing up a model of this field jointly with "Ostankino" and assimilating it so that our compatriots abroad are able to watch programs of both companies.

[Akkuratova] Some television critics believe that our television has inherited the worst of commercial television and state television, giving rise on the screen to an unthinkable mishmash of politics, variety, and advertising. Does Russia have a concept of state television and, if so, what is it like? What, in general, does it mean to grant the ARSTRBC the status of a statewide company instead of simply a state one?

[Poptsov] After the breakup of the Union everyone was concerned about the fate not of RTV but of "Ostankino." So long was spent talking about its interstate nature that it was necessary finally to start talking about a Russian statewide company. Statewide and all-national, it will now represent Russia's interests in all international television and radio organizations. "Ostankino" is faced with the tremendous, unique task of becoming the interstate company of the Commonwealth countries and subsequently, maybe, even an international company, involving countries of the Eastern bloc. I would say that to a certain extent the fate of the CIS is now in "Ostankino's" hands.

Regarding the concept of state television, in general, of course, it does exist. State means a system of funding, it means information programs which serve the state's interests. When deputies accuse us of supporting reforms, this elicits a smile, in just the same way as when we are called "pro-Khasbulatov" or "pro-Yeltsin" television. Just imagine state television which makes it its task to destroy parliament, the government, and the president. That is absurd, nonsense. There will never be any such thing at RTV.

Whose side are we on, then? On the side of the Supreme Soviet, the president, or the government? We are on the side of our society, our homeland, our people. We will always be in opposition to the mistakes committed on the path of developing democracy and reforms, whoever might make them—parliament, the president, the government, political parties, or we ourselves. But we will always support the policy of reforms.

Our credo, our policy is to represent Russia's political life as fully as possible. We are undoubtedly taking on too much here, but this is because of our poverty—for example, the shortage of editing systems forces us to put out live broadcasts more frequently. The opposition is constantly present at RTV, and its representatives express their viewpoint. We have "Party Club," and the broadcast "Gentlemen-Comrades" is being produced. This is not to mention the fact that we endeavor in every discussion program to represent the most diverse views possible on problems. Finally, it is RTV that produces "Parliamentary Herald" and "Parliamentary Diary." Our "Vesti" is a different information concept: not just information but also a microcommentary on it.

Finally, there must be a moral concept. Everything must be done to ensure that the concept "honesty" is a constant and not a quantity that changes depending on the situation. But the most important thing for us is to flesh out the idea of concord and not to add to fighting and hostility which escalates into hatred. Although there are some mistakes in implementing this concept. Let us remember that RTV is only 18 months old. [Poptsov ends]

P.S. After the news conference a week ago by leaders of the ARSTRBC, at which exhaustive answers seemed to be given to all the questions that were asked, respected IZVESTIYA and Sunday's "Itogi" television program ("Ostankino") once again expressed panicky words about the switching of the Russian program to the first channel. So can we hear each other, do we want to, and are we able to?

Economic Issues

Vice Premier Fedorov on Bank, Currency

OW2801174593 Moscow INTERFAX in English 1714 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] Russia's Vice-Premier Boris Fedorov believes that in the current setting the role of the Central Bank of Russia must be cardinally changed. He told Interfax on Thursday [28 January] that the Russian parliament has every right to ask the Central Bank, when it intends to concentrate on the national currency instead of talking about industrial enterprises' turn-over capital.

He also thinks that the Central Bank must change the interest rates on bank credits. "The monthly bank rate should amount to at least 10 per cent, if we are to move towards market relations," he said. "Naturally, no one is saying that the bank rates should exceed the rates of inflation, since the market has its supply and demand," he went on to say. "But we must move in the right direction at least," he added.

Fedorov is convinced that the possibility of using IMF loans for the creation of a stabilization fund may be discussed only if Russia creates stable conditions for reducing the budget deficit and increasing the bank rates. If this is done, the IMF loans will not be tossed into the wind, he said. "If we stick to a tough financial and crediting policy, in the second half of the year we might discuss the possibility of using loans for establishing the stabilization fund," he noted.

Commenting on Viktor Chernomyrdin's speech in the parliament, Fedorov described it as progressive and added that he was pleased with what Chernomyrdin said. Now everything will depend on the implementation of the ideas, expressed by the prime minister, he remarked.

Explaining the procedure of announcing enterprises' bankruptcy, proposed by the prime minister, he said that it did not mean an automatic closure of enterprises, or

dismissal of the workers. What is meant here is the change of leadership and measures to improve the performance of the companies operating at a loss, he said. He also pointed out that some of the "bankruptcy" cases will be made public to demonstrate that a group of efficient people replacing the previous management, may turn a loss-making company into a profitable one.

'Targeted Programs' Given Economic Priority

PM2801165793 Moscow ROSSIYSKAYA GAZETA in Russian 29 Jan 93 First Edition pp 1-2

[Parliamentary observer Andrey Sharapov report under the "Russian Federation Supreme Soviet Sixth Session" rubric: "Viktor Chernomyrdin Speaks of Heavy Legacy"]

[Text] The White House—The importance of the questions being examined at the 28 January joint sitting of the Supreme Soviet chambers was borne out by the presence in the hall of the head of government, five vice premiers, and almost 20 ministers.

At the start of the work the deputies heard requests from Sergey Filatov and Yuriy Yarov to be released from their parliamentary posts in connection with their transfer to executive power structures. Ramazan Abdulatipov, chairman of the Soviet of Nationalities, remarked that the Supreme Soviet has become a forge of highly professional cadres, and he proposed, by way of a precedent, not letting Yuriy Yarov go. Ruslan Khasbulatov, in the chair, thanked the colleagues for their joint work and emphasized that, next time, decisions of this kind should be agreed with the Supreme Soviet.

Viktor Chernomyrdin, chairman of the Council of Ministers, delivered an information report on the Council of Ministers' progress in work on drawing up a program of anticrisis measures.

The head of government reported on great analytical work done to ascertain the causes of the present difficult situation in the economy, the results of which will be reported to parliament during the first 10 days of February.

The decline in production in 1992 stood at 19 percent, and in January output volume showed a further 20-25-percent fall. The January indicators were exacerbated by an abundance of days off and holidays.

One of the main areas of the government's present activity is toughening up financial and credit policy and ending the practice of issuing credits "for love." An analysis of the practice of "thoughtless" credit distribution last year has shown that just 20 percent went to support production, while the rest went to increase wages, to currency exchanges, etc. Even the 200 billion-ruble credit issued to the fuel and energy complex was reduced sharply after detailed analysis.

The stabilization and strengthening of the ruble is a priority area. It is planned to submit to the Supreme Soviet a package of corresponding draft laws, notably providing for the phased reduction of the federal budget and the fixing of limits on its deficit. The ruble must become the basis of the people's prosperity, Viktor Chernomyrdin emphasized. It is essential to combat the "dollarization" of the Russian economy.

It is important to "build up" social programs. It is proposed to reorganize health care and to define the normative minimum for medical services. According to the head of government, it is possible to expect within the next few days the indexation of the population's savings bank deposits, which will protect them against inflation. We must realize that we are on a narrow path" between the abyss of hyperinflation, the perpendicular cliff of economic collapse, and the impasse of insoluble social problems. The government thus has no great options to choose from right now.

Analysis of the implementation of government programs has shown that only approximately half of the planned measures have been carried out. There is still no effective mechanism for implementing decisions of the executive and the representative branches. One has to be created, at the same time as stepping up the discipline and responsibility of leaders.

Answering deputies' questions, Viktor Chernomyrdin agreed that the shock-therapy policy and monetarist approaches had not been vindicated. But, however great the pressure on the head of government from all sides, there would be no more instant programs.

Andrey Nechayev, minister of the economy, delivered a report on a forecast of Russia's socioeconomic development for 1993.

He said that the production slump in 1992 is attributable to a number of long-term factors, such as the fall in imports and the disruption of economic ties. The decline in production was influenced by the reduction in budget expenditure on investments and by the restriction of the population's effective demand.

The prognosis for 1933, if the minister of the economy is to be believed, is more favorable. The decline in production is planned at a level of 7 percent. The first stage in the government's activity this year includes improving the financial system, thanks to which it is planned to reduce the rate of price increases toward the end of the first quarter.

Priority will be given to targeted programs. The first of these concerns the agro-industrial complex, particularly its processing sectors—thanks to which the decline in production in the food sphere and its dependence on imports will decrease.

The second program is aimed at maintaining the fuel and energy complex. The slump in oil extraction this year will amount to 50 million tonnes. This is a consequence of inadequate investment in oil extraction in recent years. Unless urgent measures are taken, it cannot be

ruled out that after a certain time Russia will cease to be an exporter and end up an importer of this raw material.

The next program concerns the development of the infrastructure and transport—which is particularly important in connection with the loss of developed ports by Russia and the unsatisfactory state of the communications system.

The conversion complex consists of 13 major programs, thanks to which the volume of civilian commodities being created in the military-industrial complex will increase 11 percent and will amount to 82.5 percent of the defense industry total, compared with 62 percent in 1991.

Social programs concerning Chernobyl, the small peoples of the North, and the population's social protection are also priorities.

A substantial reduction of indicators in oil extraction and in production of nonferrous metals is planned. The restriction of demand will bring about a reduction in light industrial and machine-building output. The electricity generation and chemical sectors and the production of construction materials will be stable.

The decline in GDP as a whole in 1993 will total 5 percent, compared with 18 percent in 1992.

These are the economy minister's forecasts. The future will show what actually happens.

Privatization Press Conference Held

PM2901100793 Moscow IZVESTIYA in Russian 28 Jan 93 Morning Edition p 2

[Report by Igor Karpenko: "Private Ownership Is Being Resurrected in Russia; That Is Borne Out by Privatization Results for 1992"]

[Text] The press conference held 26 January at the Goskomimushchestvo [State Committee for the Administration of State Property] obviously attracted the attention of the mass media—over 100 Russian and foreign journalists and representatives of television and radio companies gathered here. Anatoliy Chubays, the committee's chairman, and his deputy, Dmitriy Vasilyev, told the gathering about the development of privatization in the country, its results over the past year, and its prospects for the future.

In less than a year over 46 percent of enterprises have transferred from state to private ownership. The state program for 1992 provided for a revenue of 71 billion rubles [R] from privatization. The overwhelming majority of experts and analysts were very skeptical in assessing the figure's feasibility. Nonetheless, the total sum of revenue was in excess of R150 billion—twice as much as planned. The lion's share of these funds went into the local budget and was spent primarily on social needs and the support of the least protected strata of the population.

The most tangible results were produced by "small-scale privatization:" 36 percent of the total number of retail trade enterprises in the country, 34.5 percent of wholesale trade enterprises, 21.7 percent of public catering enterprises, and nearly 40 percent of consumer services enterprises were sold at competitions and auctions. Over 28,000 enterprises, that is every third enterprise in these sectors, transferred to private ownership. Their labor collectives became the owners of over half of them.

"Large-scale privatization" is also gradually developing. As of 20 January 95 percent of the population had received privatization vouchers and thousands of enterprises had completed or are completing closed subscription. The territorial committees for the administration of property have already made decisions on the transformation of 5,631 enterprises into joint-stock companies. It is interesting that only 34.5 percent of them are being turned into joint-stock companies on the basis of the first concessions option, although they could receive free one quarter of their shares. The majority of collectives (63.7 percent) chose the second option, which grants the right immediately to buy a control block of shares and become real owners of their production facility. One more very important element of the system has also finally been formed—the financial mediator who must help people use their voucher sensibly and profitably. In December the Goskomimushchestvo began to register voucher investment funds. This process is proceeding rapidly and vigorously: Throughout Russia over 300 such funds have already been created. It is into these funds that millions of people are to put their vouchers in the next few months; the government and Goskomimushchestvo recommend these funds as the most reliable option for investing their vouchers. That is why I think it is important for readers to know the arguments regarding the protection of the interests of investors in these funds cited at the press conference by A. Chubays and D. Vasilyev.

The main guarantee is not the size of the investment fund's incorporation capital but the financial aid of the company administering this fund and their professional potential—the ability to invest capital as profitable as possible, to acquire the most profitable shares, and so forth. The investor's voucher is protected from chance circumstances by a triple defense—licenses, each of which is received separately by all three echelons involved in voucher investments. That is the voucher fund and the person or company administering this fund receive individual licenses as different financial institutions. Finally, the depositaries, where these vouchers will be kept, receive their own license. So that no one will run off anywhere with the vouchers and the risk of losing it for nothing in the fund is far less than, for instance, when purchasing a share from some one enterprise.

The thrust of "large-scale privatization" as it is now usually called consists in ensuring that every inhabitant of Moscow or Yakutia, Tatarstan or Kamchatka, or any remote village can receive for his voucher shares from the enterprise he has chosen whatever part of the country he may be in. Much has already been said, particularly in IZVESTIYA, about the technical aspect of the matter—

the privatization centers, telecommunications, information programs, and so forth which ensure the conditions essential for this. But these are merely the means, not the aim, of privatization.

"Privatization should become an important consolidating factor for Russia's inhabitants," A. Chubays said at the press conference. "We are convinced that the system of 'cross' ownership whereby inhabitants of some regions own property in others is a fundamental economic base creating prerequisites for the resurrection of Russian unity. Russia will be closely linked at the property level, not in words but in deeds, by the property relations of regions, oblasts, and republics, and, even more importantly, of inhabitants, the population, and the peoples."

Incidentally, vouchers and voucher auctions have received equal "civil rights" and have been adopted in all regions of Russia, including Tatarstan and Bashkortostan. The suggested terms of privatization have been adopted and unanimously supported by labor collectives and by directors—there have been virtually no refusals to form joint-stock companies in a single one of the tens of thousands of collectives involved in the process. To refuse privatization today is far harder than to permit it, the Goskomimushchestvo leaders said.

The 1993 draft state privatization program was adopted 25 January by the Supreme Soviet Presidium for examination and A. Chubays believes that all fundamental principles and lines of privatization will be successfully preserved when parliament approves it. And he assesses far more optimistically than at the beginning of the year the situation with regard to the alternative law on privatization proposed by the bloc of communist factions under the flag of "priority for the labor collectives," since that law was rejected at the first stage in the parliament committee for economic reform.

"It is absolutely clear," A. Chubays said at the press conference, "that a document of this kind is so odious, works to such an extent against the interests of the most unprotected strata of the population, that it would be a serious political mistake for parliament to go halfway to meet this law..."

So far the very possibility of raising this question at the Supreme Soviet session has already caused panic on the exchange, where the rate for a voucher was almost halved, and perplexity and caution among foreign investors. And their participation in Russia's privatization process is so far more than modest. Foreign businessmen simply cannot understand who they should talk with now, who they should conclude contracts with, what is decided by the director and what is decided by the administration chief, what depends on the Goskomimushchestvo and what on the sectorial ministry. It will all be simpler when a real owner appears, even in the form of several thousand shareholders—foreign investors are prepared to do business with them.

A package of documents has already been prepared defending the rights of foreign investors and regulating their participation in privatization. But counting on this capital will only become feasible if a state program for 1993 is approved and fulfilled whereby "small-scale privatization" should be completed in full in the fourth quarter and "national" privatization should have been basically implemented and all owners of vouchers will have exchanged them for shares in private companies.

In the opinion of the Goskomimushchestvo leaders, who answered dozens of questions from journalists, the greatest danger to economic reforms today is hyperinflation, which could bury not only privatization but also all the results of political and economic transformations. The prevention of hyperinflation today is the main task of the government and parliament. Its solution requires a whole package of urgent measures and a fundamental change in the positions of the Central Bank which so far—here a direct quotation from Yegor Gaydar's well known assessment was heard—for some reason considers it responsible for investing in heavy industry and agro-industrial complex enterprises it knows to be running at a loss but not for the increase in prices and the curbing of inflation.

Military Issues

Plans To Set Up Military Militia Outlined

PM2801145593 Moscow IZVESTIYA in Russian 20 Jan 93 p 6

[Correspondent Nikolay Burbyga report: "Military To Have Their Own Militia"]

[Text] The Russian Government has been instructed to draw up a draft law on a military militia and submit it for discussion by the Russian Supreme Soviet within three months.

The need for this body is long overdue, according to Anatoliy Korotkov, head of the administration for overseeing the implementation of laws by investigative organs engaged in preliminary investigation and operational investigation work of the Russian General Prosecutor's Office Main Administration. This is because the nonstaff investigative organs currently in operation in the Army have proved ineffectual because of their lack of professional training, and also their lack of interest in their work, conducted on voluntary principles, which has led to poor quality investigations into offenses.

What form will the military militia take? Two different options are under discussion. The first has been proposed by the Ministry of Defense and the second by the General Prosecutor's Office.

The Defense Ministry's position amounts to initially forming two military militia battalions, stationing them in two military districts, and holding an experiment in 1993.

"We do not agree with this approach," Korotkov said, "because military militia battalions will not be able to

encompass the whole of the Army's legal space. Military militia battalions will not have the services to deal with investigations and other operational work. In my view, they will be more paramilitary than law enforcement organs. Moreover, the present state of law and order in the Army and the country as a whole gives us no time to experiment. These organs should already have been set up. We are proposing the formation of territorial military militia departments based on the garrison principle, which will have all services, ranging from criminal investigations and the fight against economic crime to the maintenance of law and order in garrisons. With this approach, the military militia will be able to make effective use, if necessary, of the operational facilities of the similar services attached to territorial organs.

"The size of these territorial organs must primarily depend on the number of servicemen stationed at the garrison in question. It is planned to have a military militia department in every garrison and a military militia directorate in every district."

[Burbyga] How will law and order be maintained in subunits which are a long way from their main base?

[Korotkov] Inspectors may be used in small subunits which are a long way from their main base, as territorial services like the Ministry of Internal Affairs do.

[Burbyga] According to information published in the press, several thousand AWOL servicemen were under investigation in 1992. Approximately 800,000 servicemen, including some 200 officers, were involved in trying to trace them. Will military departments be able to replace them so that they can return to their immediate duties?

[Korotkov] The formation of a military militia is intended to free commanders from the responsibility of investigating crimes and other incidents in military units. It is proposed, however, that some commanders will retain the right to institute criminal proceedings and take preliminary investigative action, as is the practice, for example, on civilian ships.

[Burbyga] Under whose jurisdiction is it proposed to place military militia bodies?

[Korotkov] I shall tell you what I think: They must not be placed under the jurisdiction of the local command.

Army To Reinforce Militia on Moscow Streets

MK2901103093 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 29 Jan 93 p 1

[Unattributed report: "The Army Will Patrol Moscow Streets"]

[Text] This decision was made yesterday at a conference in the office of Moscow Mayor Yuriy Luzhkov. Taking part were Yuriy Skokov, secretary of the Russian Federation Security Council, and leading officials of the Defense Ministry and national and Moscow regional law enforcement agencies.

It was decided that militia reinforced with servicemen will be on patrol duty around the clock. Patrolling will be especially intensive between 1700 and 0200.

In line with the mayor's request, patrol duties will be performed not by raw recruits, but by well trained and armed men such as paratroopers.

The special battalion policing the railroads will be doubled and its men will be issued with weapons and the necessary equipment.

To give the servicemen some incentive, Yuriy Luzhkov promised that an additional 300,000 square meters of housing will be made available to them this year, while the number of apartments available to the militia will triple—the reason being, as the mayor put it, that the only thing free in life today is the cheese in a mousetrap.

Finance Minister: Costs of Maintaining Army Increasing

LD2801212793 Moscow ITAR-TASS World Service in Russian 1135 GMT 28 Jan 93

[Report by ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow, 28 Jan—Finance Minister Vasiliy Barchuk has denied assertions to the effect that capital investments in the development of the Russian countryside are being reduced. Answering questions from deputies, he noted that "in absolute terms, investment in the countryside has increased by a factor of 3.5 on capital investments [as received]; the fact that we cannot keep pace with skyrocketing prices, particularly in the construction industry, which outstrip the increase in prices of all industrial products, is another matter."

Vasiliy Barchuk proposed to the Supreme Soviet that it should increase value-added tax by three percent. "The money yielded from this might be allocated specifically to finance the development of the countryside in terms of materials and machinery; I do not see any other way," he emphasized.

Vasiliy Barchuk said that his department continued to finance nearly all the scientific institutes that existed before the break-up of the USSR. He called for their work to be regulated in line with the country's new requirements.

The finance minister acknowledged that the expenditures for the maintenance of the Russian Army are still increasing in 1993. He said that a special control directorate is now being set up to monitor the military budget.

Conservative Parliamentary Faction Examines START

MK2901070593 Moscow KOMMERSANT-DAILY in Russian 28 Jan 93 p 10

[Georgiy Bovt, Aleksandr Pisarev report: "START Opponents Keep Putting Forward New Arguments"]

[Text] Yesterday's meeting of the parliamentary faction, "Otchizna" ["Fatherland"], which forms part of the "Russian Unity" bloc, held hearings on the START-2 treaty. General Boris Tarasov, the faction's coordinator, said that the hearings were designed to help "deepen understanding of the treaty" and to produce "analytical material for ratification". Observers at the hearings noted that "the patriots'" refusal to accept START-2 was sometimes caused not so much by its substance but by their open showdown with the Foreign Ministry and the minister himself.

Deputy Foreign Minister Grigoriy Berdennikov, speaking at the hearings, once again dwelled upon the basic characteristics of the treaty. START-2, which hinges directly on the implementation of START-1, will establish for both Russia and the United States equal numerical strategic arms limits, he said. The treaty calls for the elimination of all MIRV'ed intercontinental ballistic missiles. To achieve this target, it has been proposed to strip U.S. 'Minuteman' ICBM's of two out of their three warheads, whereas Russian SS-17's and 105 SS-19 missiles will lose three out of four and five out of six warheads, respectively. Under START-1, U.S. "Peacekeeper" ICBM's and Russian liquid-fuel ICBM's equipped with 10 warheads—SS-18's and SS-24's—are subject to elimination along with any SS-19's above the ceiling of 105 missiles. Berdennikov pointed to the fact that the United States would lose MX's, their newest solid-fuel mobile missiles, and stressed that even after START-2 was implemented Russia, with its 3,000 warheads, would outnumber other nuclear powers, France, China, and Britain, that have 434, 217, and 384 warheads respectively.

The next speaker, Ananiy Golitsin, who heads the Center of Military and Strategic Research, stressed that the General Staff and the Defense Ministry have no differences of opinion with the Foreign Ministry in their assessment of the treaty. Research conducted by the Center has shown that the level of 3,000 to 3,500 warheads established by START-2 will not damage the ability of each party to the treaty to cause "requisite damage". At the same time, economic efficiency [ekonomicheskaya effektivnost] will decrease by eight million rubles compared with the level established by START-1. Opponents of the treaty were represented by Sergey Kurginyan, theater director and political scientist, who avoided giving specific numbers or making concrete analyses. He was unhappy with the prospect of the elimination of heavy ICBMs, the "pearl" of the Russian nuclear "triad". Moreover, Kurginyan said, START-2 will "increase the effectiveness of SDI," and these two programs should be viewed in the same context. He likened the treaty itself to "dancing on ice without skates." The hearings showed that the treaty's advocates would have to fight for its ratification, because its opponents continue to search for ever new arguments even if they are not always sound.

Supreme Soviet

Chernomyrdin, Nechayev Address Supreme Soviet

Chernomyrdin Speech

LD2801234993 Moscow Russian Television Network in Russian 2045 GMT 28 Jan 93

[Speech by Prime Minister Viktor Chernomyrdin to the Russian Supreme Soviet; from the "At the Russian Supreme Soviet" program—recorded]

[Text] Esteemed chairman, esteemed members of the Supreme Soviet, people's deputies! The Seventh Congress of People's Deputies instructed the government to present a complex of measures to overcome the situation of socio-economic crisis in our country. The decision of the Congress on the progress of economic reform in the Russian Federation sets us a number of tasks, embracing both the most vital problems, with the highest priority, of achieving a healthier economy, and larger-scale ones of a long-term nature. The first month of 1993 is almost over. In that time, the government has implemented a number of practical measures in the economy. It has drawn up a draft program of measures mainly for the first six months of 1993, with the emphasis on the first quarter of this year. These are the immediate, most urgent things that need to be done to alleviate what we are all going through at this time.

I want to stress that the government, and I as its chairman, have seen it, and still see it, as our most important task to analyze carefully, in these few weeks, what happened in 1992; to listen to and compare various viewpoints; and to draw conclusions on which to base our strategy for the future. In a word, much analytic work is in progress, the aim of which is to get clear about where we are; how much of what had been planned has be realized, what we have failed to achieve, and—above all—why; and what we should do to foster a healthy economy in our society as a whole, in Russia.

The results of that work we plan to examine at an enlarged session of the Council of Ministers at the beginning—in the first 10 days of February of this year. I think that will be a thorough discussion which will help us to get our bearings on the situation, and, most important, to decide what needs to be done next; to get a more precise idea of how to implement the policy of the president and of the government. We will report, without fail, to the Supreme Soviet—to the parliament—on the conclusions drawn in the course of that analysis.

Without wanting to anticipate what the government will decide, I should like to say something about the key problems that have been, and remain, foremost in the mind of the government since the Seventh Congress of People's Deputies, and tell you, in this connection, of the initial premises, the principles, which will underly our work today. The period of just over a month and a-half that has elapsed since the Seventh Congress could not, of course, have altered substantially the trends of socio-economic development that took shape in 1991-2. The decline of production in 1992 was in the order of 19 percent. The reduction of capital investment, the disruption of state finances, the growth of inflation and the undermining of the country's solvency are accompanied by a considerable lowering of the living standards of our people. We do not yet have, of course, any generalized data for January—the month has not yet ended; but on the preliminary estimates we can say that total volume of industrial production in January will be, as a minimum, 20 percent—25 percent lower than at the end of 1992. The causes, it is true, are not quite the usual ones. Almost the whole of the first half of January was swallowed up by the holidays; from the first days of the new year the country worked hardly at all, and got down to work again—got back into the swing—after a long delay. Here, of course, we have done well: in that, we are indeed without equal in the world.

In January we have continued to be blighted by the decline in production output, by the second round of the non-payments crisis, by never-ending price raises, the insufficient level of social protection for the population. In a word, by the whole complex of pressing issues which needed to be solved without delay. How did we tackle these problems, what we have achieved and what are our plans for the nearest future? Among the main targets of the government's work—and this has been registered in the decision adopted by the seventh congress—is to work out and practically implement the state industrial policy aimed at the preservation and efficient use of the intellectual potential of our country by the industry. This task is playing an integral part in the wider context of restructuring of the national economy as a whole. We have been supporting and will continue to support the vitally important industries and enterprises according to priorities outlined in the federal program of restructuring set up for this year. A proposal aimed at stimulating investments in the priority industries is currently being prepared. The government decision on adoption of a system of measures to protect the Russian enterprises on the domestic market, aimed at protecting the interests of domestic producers is being worked out.

Recently, the presidium of the Council of Ministers has approved the main principles of the mechanism intended to give effect to the state policy on science and technology and practical measures for implementation of this policy in the current year. But here I should like again to warn you against the over-generous allocation of credits, subsidies, grants and allowances. We cannot afford to be spending money we do not have. We will continue trying to solve the non-payment problem, but not at the expense of the unsubstantiated payments and liberal distribution of money out of the state pocket. The government is currently carrying out a detailed survey of the enterprises which have the largest debts. In the extreme cases they will have to resort to bankruptcy procedures, which, by the way, does not mean that the enterprise should close down and the people be thrown out to the street. No, we are talking about improving the general healf of the inefficient enterprises. The state has to help them to reorganize themselves and their forces while all the norms of social and legal protection for workers are being strictly observed.

We will not repeat mistakes of the recent past when credits and subsidies were given as largesse and were measured by the power of pressure exerted by industry managers and enterprises on ministries, the government, and even on you, parliamentarians. As a result only a small part of the allocated means were used in fact to support industry. According to some data, it amounted only to 20 percent and the rest was turned into wages, amounting to many thousands, and put out to the currency exchange, rapidly increasing the dollar exchange rate. The decision is very simple here: not to give money at all to an industry or enterprise and to allocate it exclusively on concrete projects and concrete manufactured products—well calculated, justified, and capable of bringing profit in good time on every product manufactured in the country, moreover, the products which are needed. The government will deal directly with this; I, as chairman, my deputies, ministers, and colleagues.

Incidentally, a few days ago we discussed with industry leaders proposals on using the credit given to [word indistinct] at the end of last year. As a result we had to reduce sharply the sum which was originally given. I would like to stress again—there is no free money which is given to everyone as their fair share without a concrete justification and there will be no more of it. I think it necessary to speed up work on introducing changes to the law on enterprises and free enterprise and also progress of laws on joint-stock companies and securities at the Supreme Soviet, bearing in mind that all these normative acts should make it possible to strengthen control over state enterprises, first, by strengthening their financial discipline.

Aimed at legislative provisions for an active industrial policy, the government proposes to elaborate and adopt a package of laws, inter alia on state support to small enterprises, on oil and gas, on power engineering policy, on atomic power engineering, and also a number of draft laws and resolutions on problems of the investment policy, inter alia in the housing sphere and on the privatisation procedure in the military-industrial complex.

Now about problems in financial and monetary policy. The following question is often asked: what is worse—a slump in production or price increases and inflation?

The answer is very simple here: the first is bad and the second is very bad. But all of us should realize that hyperinflation, which leads to economic catastrophe and impoverishment of our people, represents the main danger at present. Curbing inflation is a necessary condition for resolving all types of other very important tasks of economic policy, inter alia restoration of production.

That is why financial stabilization and the strengthening of the ruble will be the number one priority in our economic policy at present. If this priority is not implemented, we will not be able to get out of the crisis and to resolve the remaining urgent problems in the economy and social development. In line with our strategic course, the government policy in this field is aimed first at removing the main reasons for inflation and at neutralizing its destructive influence on the economy and the well-being of people. How to stop its growth, which became threatening at the end of 1992 and in the first weeks of January? It must be honestly admitted that attempts to regulate or fix prices on products, goods, and services of enterprises, which are not monopolists, by administrative or some other methods cannot bring the solution of this problem. The last goods will disappear from the shops and prices will go up, absorbing growing production costs.

We cannot allow ourselves the luxury of stepping on the same rake twice. Therefore, we have reconsidered the method of restricting profitability proposed in December of last year and by a special government resolution of 18 January adopted measures for the state regulation of inflation processes. The crux of the taken decision is toughening the struggle against inflation, destabilization of the economy and the breakdown of the monetary system, and expanding the arsenal of methods of market regulation of prices.

The government intends, in the very near future, to prepare and submit to the president for tabling at the Russian Federation Supreme Soviet a draft law providing for the step-by-step reduction of the federal budget deficit, fixing its maximum levels for each quarter, stepping up scrutiny of the implementation of the state budget and the size of the state debt, and granting the government powers to reduce federal spending or to bring in temporary taxes and levies if there are unforeseen reductions in revenues.

The government is also proposing that a draft law be prepared providing for a stepping up of the tax regulation of spending on pay exceeding the relevant norms.

I realize the controversial and unpopular nature of these measures. But I think there is no other way out at the moment. We will need mutual understanding here, and more effective cooperation with the Central Bank, and in particular with regard to mutual obligations on stepping up the monitoring of the purposeful and timely use of credits on preferential terms and encouragement for the provision of credit for investment activity.

Our job is to step up the anti-inflationary thrust of monetary and credit policy. It is intended to substantially reduce the rate of inflation. I realize that this task is not a straightforward one and is not so easy to achieve. But the state of the economy does not leave us too much scope for maneuver in this area.

The ruble must become the basis of prosperity of the Russian economy, the basis of the people's well-being. That is its basic aim. We will do all in our power to make the ruble Russia's valued national currency.

During the recent Minsk meeting of the heads of the CIS countries, the necessary conditions were created for realizing this task. The accord on an Inter-Bank Union and on the issuing of rubles by the Russian Central Bank will help to create the framework for a ruble area and for strengthening the ruble. These measures are also seen by the government in the context of increasing the effectiveness of foreign economic links and strengthening the country's foreign currency situation, something that was also stipulated in a decision of the Seventh Congress of People's Deputies. In particular, the government is drawing up proposals for a mechanism for setting the ruble's rate against foreign currencies which will prevent it from being artificially depressed and the economy from being dominated by the dollar.

The decision of the Seventh Congress of People's Deputies concentrates mainly on the vital social problems of the population of Russia. Solving them is a most important condition of the development and deepening of economic reform. In the package of measures which the government is elaborating and putting into effect, it is the strengthening of the social purpose of economic policy that has highest priority. In the period since the Seventh Congress of People's Deputies alone, a number of decisions have been made to improve the social sphere: fare concessions for pupils and students; benefits for personnel of the internal troops. The presidium of the Council of Ministers has approved a list of special programs for the social protection of the disabled. But, of course, the spectrum of social problems is boundless; and immeasurably more remains to be done, especially in comparison with last year.

In the next few months, the government will be drawing up proposals on the principles of defining a living wage—a minimum for wages, pensions, student grants, and social benefits. We will be drafting laws to regulate wages and make changes and additions to the law of the Russian Federation.

In 1993, we propose to make changes to the organization of the entire social security system. This will mean, above all, increasing direct monetary compensation payments by way of material assistance to the least well-off sections of the community—large families and others. It will involve a more active employment policy and giving the jobless the help they need. In particular, we intend to submit to the Supreme Soviet a draft for a joint resolution setting up an employment fund this year. Measures

will be taken to create new jobs. The reorganization of the health service will be continued this year, and norms laid down for a guaranteed state minimum for medical aid. Appropriate norms are also being elaborated in the sphere of education and culture. Servicemen will get substantially more social protection.

An acute question, which has in effect become a political issue, is that of compensating our citizens for their savings. As a first step, this year, measures will be taken in this area to raise interest on deposits to a level that will ensure protection from inflation, literally in the next few days.

Perhaps housing is one of the worst problems at the present time. After all, almost the worst thing for a person is to remain without housing. The housing problem must occupy a leading position in social policy priorities. We plan to draw and introduce extra-budgetary forms of administration in the housing sphere, prepare conditions for the mobilization of special savings to provide credit for the construction of housing, and think out measures of state support for the system. In implementing the social program it is essential to constantly and strictly link what is desirable and what is possible. In particular, the increase of expenditure in the social sphere must be accompanied by subsidy reductions for inefficient enterprises and be based on a balanced and realistic approach to the state budget.

The government's plans provide for a set of measures to further agrarian reform and develop agro-industrial production—in effect to revive the countryside. I shall dwell only on the legislative back-up for these measures. It is intended to prepare a draft law on funds for the social development of rural territories and their provision with engineering facilities and to make amendments to the law on the basic principles of the Russian Federation's taxation system, having in mind tax position benefits in respect of the profits of industrial enterprises and other sectors directed at developing state, collective, peasant, and private farms. A draft decision will be submitted to the Supreme Soviet on state support for the insurance of agriculture in the Russian Federation.

The work begun last year on the implementation and development of the programs for privatization and strengthening the regional aspects of socio-economic policy is being continued. This applies in particular to the recently adopted decisions of the Council of Ministers on Novgorod Oblast, on the development of Tula Oblast and others. At the same time I would like once again to warn people that we have before us a very restricted field of possibilities—or rather it is not even a field but a narrow path along which we must pass if we are not on the one hand to fall into the abyss of hyperinflation and on the other not to run into sole responsibility for the collapse of the economy and not to find ourselves in an impasse of social problems.

Speaking for myself and the government, I believe this is the most important thing. In order to take this path, agreement must be reached on the basic and fundamental principles of economic policy, agreement among the leading political forces and representatives of various economic schools, industrial sectors and social groups on a round-table basis, and agreement among the main branches of power. If we do not all jointly understand and agree that there has to be a fixed limit, a ceiling on the increase in the amount of money in circulation and the monthly inflation growth, if we do not agree that all increases in budget spending need to be compensated by a relevant increase in revenue or reduction in some other spending, then an inevitable slide into the abyss really does await us.

Finally, another condition which I regard as of fundamental importance. It is not enough to draw up the most splendid program and the most attractive strategy. Our trouble, and what I think is the main shortcoming in the economic reform policy, are that there is no clear-cut mechanism for implementing this program and these plans. The decrees and decisions of the executive authorities are not implemented. The laws adopted by the representative authorities fail to come into effect. There is a marking of time from top to bottom, from the highest echelons of power in the government apparatus to the regional and local level of enterprises and organizations.

I will give a recent example. A session of the government presidium of 20 January examined the progress of fulfillment of plans and measures to implement last year's program for intensifying economic reforms. The work was found to be unsatisfactory. Hardly half the list of planned measures had been implemented. The government presidium indicated to a number of ministers personally their insufficiently responsible attitude to the implementation of the program. Officials guilty of frustrating the implementation of the measures will be punished. A plan of priority measures to implement the economic reform program for the first six months of the year is to be submitted to the council of ministers by 1 February, giving appropriate calculations and assessments of the results of its implementation and naming specific persons responsible for these measures.

The government is getting down to the task of restoring the running of the national economy by starting with itself. At the same time this cannot be achieved by returning to the path of command methods which have exhausted their historic resources. We are talking here about economic responsibility and discipline which has been tried out by world practice and about the levers of management which work without any hitches under any kind of so-called ism.

In conclusion, I would like to repeat that our country has a very limited choice for a reasonable economic policy. To avoid falling into the abyss all of us: the government, parliamentarians, managers of the state enterprises, bankers, and entrepreneurs should go forward roped up, helping, and supporting each other. We are facing this year difficult mountain passes. Only accord,—precisely,

national concord—will help us to climb them successfully. I am calling on everybody to do this. Thank you.

Chernomyrdin Answers Questions

OW2801120893 Moscow INTERFAX in English 1145 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] Russian Prime Minister Viktor Chernomyrdin believes that the highest priorities for his cabinet should be financial stabilization and the strengthening of the ruble.

Appearing at Thursday's [28 January] session of parliament, Chernomyrdin gave a report on "The Progress of the Work of the Russian Federation Council of Ministers on Devising a Program of Anti-Crisis Measures" in which he emphasized that the main danger at this time was "hyperinflation, which would lead to an economic catastrophe and the impoverishment of the people." The cabinet head sees the reining in of inflationary processes as the key to accomplishing remaining economic goals.

He also said that attempts at administrative regulation of prices of the goods of non-monopolistic enterprises would be pointless.

The premier reported his intent to present a draft law stipulating gradual reduction of the federal budget deficit to the president in the near future, and then to parliament for approval. The law would also fix limits for deficit growth for each quarter and would tighten control over increases in the state's debt. According to Chernomyrdin, the draft law will include a recommendation on the allotment of government authority over the reduction of budget expenditures or the introduction of temporary taxes and collections in the event of an unforeseen reduction in revenues.

The government will also recommend the preparation of a draft law on strengthening tax regulation and expenditures for salaries which surpass established norms. "I understand that these measures are unpopular, but there is no other way out," concluded the prime minister.

Chernomyrdin stressed that the ruble would have to become the basis for the rebirth of the Russian economy. In his opinion, the closing of an agreement on an Inter-State Bank at the CIS summit in Minsk would lead to the solution of related problems and the organization of the ruble zone.

The cabinet head told the deputies that the recommendations worked out by the government regarding mechanisms for working out the ruble exchange rate were "independent of artificial devaluation and dollarization of the economy."

Chernomyrdin took various questions from the deputies on Thursday. In answer to one, he declared that the government of Russia does not intend to follow any special program, and would proceed with an analysis of the previous program in order to understand "what parts of the plan were not accomplished, and why." In response to the question: "Who was the author of legislation regarding state regulation of prices on goods and produce which was adopted by the government in January and then retracted a week later?" Chernomyrdin answered that both documents were drafted by the same people. He did not take responsibility for having signed the documents mentioned, and admitted that by accepting them, the government had "overestimated itself."

Chernomyrdin also said that "the government does not intend to take any forced or thoughtless steps to deal with the artificially lowered exchange rate of the ruble."

The premier reported that a decision would most likely be made by Monday regarding the indexation of the bank accounts of the population.

Answering questions about foreign economic activity, the prime minister noted that analytical work was now being done in the search for ways to defend the economic interests of Russia. He emphasized that this touched not only on relations with Yugoslavia, but also with Iraq, Libya, and other countries. Chernomyrdin pointed out that these countries would have to pay back their debts.

Political Leaders Comment

OW2801145293 Moscow INTERFAX in English 1434 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] Leader of the Democratic Party Nikolay Travkin, who is also a leader of the Civic Union alliance, believes that Viktor Chernomyrdin did not propose any new approaches to the main problem of stabilizing the ruble. He told INTERFAX that Chernomyrdin had not specified ways of fulfilling this top-priority task. He also said that the prime minister had not given answers to other vitally important questions, either.

Travkin expressed surprise by the fact that the president's budget message envisaged spending on maintaining the president's representatives, although the 7th Congress of People's Deputies abolished such an institution altogether. Nor was it clear, whether the government takes into account the revenues which are to come to the state budget from Chechnya, Tatarstan and Yakutia, or, if it does, then to what extent, Travkin said. In his opinion, the fact that the federal budget does not receive the expected revenues from the national regions for political reasons affects inflation dozens of times more than the parliament's decision to increase minimal pensions.

Vladimir Isakov, a leader of the opposition alliance Russian Unity said it was absolutely clear to him that inside the government there are disagreements about which political course should be pursued, and that unfortunately common sense had not triumphed yet. In

his opinion, Chernomyrdin sticks to the old course which has absolutely discredited itself. The government's adherence to the wrong course can be judged from the president's budget message for the current year and from the draft privatization program, said Isakov.

Nechayev Address on Economic Trends

LD2901112193 Moscow Russian Television Network in Russian 2045 GMT 28 Jan 93

[Address by Economics Minister Andrey Nechayev to the Russian Supreme Soviet in Moscow on 28 January—recorded]

[Text] In compliance with the law on the budget message, you have been presented with a forecast of Russia's socio-economic development for 1993. The forecast is based on an analysis of the situation in 1992. You know how the situation developed. Production declined by 19 percent. The production decline in 1992 was conditioned by a number of long-term factors, including a slump in importss and the collapse of economic ties within the CEMA and of the CEMA itself.

Also, new factors became evident such as economic ties between the former Soviet republics collapsing or becoming more complex. A reduction in budget expenditure linked to an attempted improvement of the financial system had a certain restricting effect upon the dynamics of production. This includes a reduction in budget expenditure on investments, centrally controlled imports, arms purchases, and other components of the defense order.

But as the year progressed, the situation with effective demand became increasingly important in shaping the dynamics of production. The limitation of effective demand by end consumers, first of all, had a corresponding effect on the development and dynamics of production in the branches which directly serviced consumption, investment demand, or defense orders.

In conditions of changing price structures, many plants proved inefficient. This has led, on the one hand, to the growth in the problem of non-payments and, on the other hand, has intensified the fall in production. To a considerable extent this has been exacerbated by the development of the problem of non-payments and also by the extreme inefficiency of our banking system which has become evident.

The considerable volumes of emissions of credit and grantings of credit which were carried out during the summer had a certain stabilizing influence on the dynamics of production but on the whole had a rather short-term effect and their overall effect was extremely negative. The situation with regard to prices, the increase in prices which we all see in the fourth quarter and in January 1993 is, to a considerable extent, a result of the rather extensive credit emission which was carried out in the summer of 1992.

But, at the same time, at the end of 1992 we can observe that under the influence, the intensifying influence, of money-backed demand, the intensifying influence of the situation regarding the finances of enterprises, the overall drop in production began to take on the features of a structural fall. Against the background of rather high rates of fall in production we can observe even a certain increase in recent months in the production of a whole range of goods including consumer goods.

The tendencies which became evident at the end of 1992 allow one to hope that if the government undertakes active steps, including steps to implement the anticrisis measures which were presented to you, those measures which were covered today in the report from the chairman of the government, we shall manage to consolidate the first signs of positive tendencies in changing the structure of production and overall in the development of production which were observed ath the end of 1992 and on the whole there are grounds to suppose that the situation in 1993 will be more favorable.

In doing this, in preparing the forecast, we proceeded on the basis that in the first stage the government's basic task would be, and government policy would lay special emphasis on improving the financial system within a general course of restricting credit emissions. We proceeded on the basis that particular importance would be given to making credits serve specific purposes and to monitoring that they are used for these specific purposes, that is, to tightening control over the use of credits.

In making our forecasts, we proceeded on the basis of a policy of constantly reducing direct and indirect subsidies to loss-making enterprises and of adopting a complex of measures to raise enterprises' financial responsibility. The rather tight financial and credit policy—and the forecast is based on this—will make it possible to lower the rate of price increases, although the inertia caused by the increased credit emissions in 1992 will continue in the first quarter. But the forecast proceeds on the basis that by the end of the first quarter, as a result of the tightening of the financial and credit policy the rate of price increases will be stopped; well, not stopped but considerably reduced.

At the same time it must be said that if this is not done and the rate of price increases stays at the level which was reached in December and January, then naturally, the figures in the forecast and the figures in the whole budget system will need considerable amendment.

The priority aims of the structural policy will be implemented via the set of federal special-purpose programs which have been elaborated. The main ones—in accordance with the priorities worked out in the program for deepening economic reforms and adopted by the Supreme Soviet on the whole—will be support for the agro-industrial complex and primarily its processing branches. This will, on the one hand, make it possible to improve the foodstuffs' situation and, on the other hand, reduce our dependence on imports both from distant

foreign countries and nearby foreign countries. On the whole, up to 27.5 percent of all the investments are expected to be earmarked for financing these programs for the agro-industrial complex.

The second package of programs is linked to the fuel and power engineering complex. The third bloc of programs relates to the development of infrastructure, primarily transportation. You are aware of Russia's difficult situation resulting from the loss of a considerable proportion of the fleet: Russia has practically no established ports of its own, apart from the Far East. Therefore, a group of programs is to be implemented aimed at solving the problems of the transport complex and developing a system of communications in general.

The fourth bloc of programs to be implemented within the framework of the budget—it is included in the budget message—covers conversion programs. In addition, there will be a whole range of socially orientated programs. It includes a number of continuing programs such as the Chernobyl program, a program for the development of the small peoples of the north and a whole bloc of new socially orientated programs. The federal programs which I have just mentioned will be developed on a fundamentally new basis.

Finally, here is yet another factor making it possible to forecast an improved situation for 1993, something the forecast takes into account. It will promote the streamlining of our relations with the former Soviet republics, primarily within the CIS framework. We have drawn up and agreed with the republics, in general, a new mechanism of economic ties and reciprocal deliveries which combines interstate barter with direct economic ties between enterprises.

The trade and economic accords which have already been concluded with republics and those which have been prepared for signing show that the level of deliveries will be higher than the actual level of deliveries last year. As you know, this was a potent factor which caused a production slump in light and textile industries. In general, I would describe the version of forecast which you have received as a moderately optimistic one and I have tried to substantiate the factors which made it possible for us to draw up such a forecast.

Chernomyrdin, Nechayev Speeches Assessed

LD2801132593 Moscow Radio Rossii Network in Russian 1100 GMT 28 Jan 93

[Text] The hall where the Supreme Soviet sessions are being held was packed with deputies today—and this happens rarely. What lies ahead is not routine work on preparing laws but hearing the government's report and what it is going to do to extricate Russia's economy from the crisis. Premier Viktor Chernomyrdin and Minister of Economy Andrey Nechayev spoke to parliamentarians. My colleague, commentator Vyacheslav Osipov, reports:

[Osipov] The proposed anticrisis measures are undoubtedly important, though some deputies hastened to state that the country continues to be subjected to shock therapy. The unpopularity of the proposed measures is obvious. Viktor Chernomyrdin noted that without them it is even impossible to stop a slump in production or to fight inflation in the present conditions.

However, the fact that in Chernomyrdin's report the premier called on everyone to show accord is more significant. It seemed to me that even with his intonation Viktor Chernomyrdin tried to persuade legislators to put behind them the headlong clashes and to help to implement priority programs in the economy and in approving the budget message with specific proposals. The government has already sent its proposals to the parliament on 19 January, but if one is to judge by Khasbulatov's remark, the deputies have not even opened these document yet. But at the microphone they hastened to accuse the government of inaccurate forecasts and incorrect measures.

The government attaches priority to the measures to curb inflation but it seemed to me that the government does not have very many specific measures to stabilize the ruble. This year the Cabinet of Ministers is making its financial and credit policy tougher. Both the premier and the minister of economy stressed that money will be allocated only for all-purpose programs.

Andrey Nechayev enumerated the priority directions in which the main investments will be channelled. They are first and foremost agriculture, and more precisely its processing sphere. A total of 27 percent of all investments will be allocated to it. The second complex of programs is connected with the fuel and power complex. The third direction deals with the development of transportation, in particular the creation of a merchant fleet and communications systems. The fourth bloc of programs, and consequently investments, will be needed by conversion enterprises. The Ministry of Economy plans that in 1993 defense enterprises will produce goods for civilian use to the amount of 226 billion rubles [R].

The government will not leave the social sphere without its attention. The indexation of savings and deposits of the population is one of the government's next measures. Interest rates will be raised to such a level that it would enable the population's deposits to be protected from inflation, Viktor Chernomyrdin, the head of the government, noted.

To tell the truth, the government addressed the Supreme Soviet with a request to allocate all-purpose investment means of R400 billion for the implementation of other economic programs. I believe that this request will be rejected or the amount will be cut down, as deputies are inclined to decisively cut down on everything the government is trying to carry out. One would like to hope that despite a surge in political activities in society an accord will be found by the spring.

Further on Speeches

PM2901094593 Moscow IZVESTIYA in Russian 29 Jan 93 Morning Edition p 1

[Aleksandr Lugovskaya and Sergey Chugayev report: "The Government Wants to Control Credits, Parliament Wants to Control the Government"]

[Text] Speaking at a joint sessional sitting of the Russian Federation Supreme Soviet 28 January, Government Head V. Chernomyrdin declared that the Russian Government will give priority in its policy to financial stabilization and the strengthening of the ruble. He stressed that the government is faced with traveling a narrow road—on the one hand, avoiding plunging the Russian economy into an abyss of hyperinflation, and, on the other, preventing its collapse.

While briefing the legislators on the government's economic program (which is expounded in IZVESTIYA No. 15), V. Chernomyrdin declared that the Cabinet of Ministers believes its task to be to restore control over the national economy, but it was stressed in particular that this should not be via a return to administrative and command methods. It is proposed to put the greatest emphasis on gradually reducing the budget deficit, tightening up budget controls, and perfecting the tax system.

V. Chernomyrdin called for coordinated work from representatives of the executive and legislative authorities, industrialists, and economists, irrespective of their views and convictions. Such accord, the prime minister believes, is necessary to get the country's economy out of crisis.

The points made by the head of government were developed in greater detail by Russian Minister of the Economy A. Nechayev. He described his own report on the budget forecast for 1993 as cautiously optimistic. In the minister's view, if the government manages to implement its structural policy, where priority will be given to support for the agro-industrial and fuel and energy complexes, and conversion, the slump in production in Russia will be halted in 1993. It could amount to 7 percent, against 19 percent for 1992. At the same time, the minister noted, the slump will continue, especially in the first half of the year. It will be felt most of all in such sectors as the extraction of oil, nonferrous metallurgy, and machine-building. But volumes of output in electric power generation, the chemical industry, and the production of industrial construction materials will stabilize. It is possible that the situation in light industry will improve. On the whole, according to A. Nechayev, the government's macroeconomic calculations show that the preconditions do exist for a revival of rate of growth in production in 1994.

From the ensuing dialogue between the minister and the deputies, it was possible to pick out the main idea: The government will exercise strict control over the use of both budget credits and investment credits. Along with financial stabilization and a firmer ruble exchange rate, this will become one of the instruments of the structural perestroyka of the economy. The system of bankruptcies, the bolstering of enterprises' working capital via credits in exceptional cases only, and the offer of investment credits for specific projects—all of these measures may have a significant effect before the year is out.

R. Khasbulatov added his own argument to what was said: "In Russia at the end of 1992, more facilities were under construction than in the entire USSR in 1990. This represents a huge fragmentation of state resources." The speaker also managed to intercept efforts by some deputies to get the minister of the economy voluntarily to tender his resignation.

Kozyrev Outlines Foreign Policy Aims, Achievements

PM2801141593 Moscow ROSSIYSKIYE VESTI in Russian 28 Jan 93 p 1

[Unattributed report: "Andrey Kozyrev: 'We Have No Intention of Becoming Embroiled in a Disarmament Race'"]

[Text] Foreign Minister Andrey Kozyrev described the specific areas of the country's foreign policy concerned with securing Russian national interests when he addressed an enlarged session of the Russian Federation Supreme Soviet Commission for International Affairs and Foreign Economic Relations yesterday.

Activity designed to strengthen the CIS is considered by the minister to be one of the main such areas.

Andrey Kozyrev noted that all member states have advocated the retention of the CIS, and thus the idea of a "multispeed" Commonwealth proposed by the Russian president received not just support in Minsk but also legal enshrinement in the Charter of the organization, which was endorsed by the participants in the meeting.

The defense of the rights of the Russian-speaking population, which is the daily concern of Russia's envoys in nearby foreign countries, is another such area, the Russian minister went on. If need be, the minister remarked, the ministry also issues appeals to the world community.

Foreign policy activity in creating a "zone of good neighborliness" along Russia's borders—stretching from the Kola Peninsula to the Amur River—was the third area which Kozyrev described. President Yeltsin's visit to China was the most important step taken in this area, the minister said. This breakthrough in Russian-Chinese relations strengthens Russia's position as a Eurasian power whose sphere of interests extends equally to West and East.

The task of guaranteeing Russia's national security is a most important area, according to Kozyrev. He cited two recently signed documents in the sphere of Russian-U.S.

disarmament—the START II Treaty and the Convention on the Prohibition of Chemical Weapons—as of key significance here. The minister pointed out that "for Russia, disarmament is not an end in itself" and that it has no intention of becoming embroiled in any disarmament race. The task is to achieve a higher degree of national security through balanced arms reduction and to actually correlate defense efforts against the country's real potential and the interests of Russia's economic revival.

Speaking about areas of foreign policy work in the next few months, Andrey Kozyrev noted that, in his opinion, today, when the legal and political foundation of relations with the outside world has been laid, "the center of gravity is shifting inward: We have to get down to the practical assimilation of everything that has been achieved at a political level." Therefore, he said, the nature of Russia's international contacts, notwithstanding their activeness, is somewhat changing: In particular, the number of visits abroad is falling and the number of visits to Moscow from abroad is increasing. But of course the president's visit to India is taking place, there remains the question of his visit to Japan, and Boris Yeltsin is also planning a trip to Brussels to sign a new large-scale partnership and cooperation agreement between Russia and the EC.

Kozyrev Briefs Media on Foreign Policy Hearings

PM2801142193 Moscow KRASNAYA ZVEZDA in Russian 28 Jan 93 p 3

[Aleksandr Golts report: "We Will Not Take Part in a Disarmament Race, Russian Foreign Minister Andrey Kozyrev Believes"]

[Text] Those who predicted that the Supreme Soviet Committee for International Affairs and Foreign Economic Relations hearings on Russian foreign policy would turn into a heated battle between deputies and diplomats were obviously mistaken. At the end of the hearings both Foreign Minister Andrey Kozyrev and Parliamentary Committee Chairman Yevgeniy Ambartsumov did not hide their satisfaction that the debate was particularly proper and well-considered. Both men stressed that there is extensive scope for cooperation between parliament and the foreign policy department in safeguarding our country's statewide interests. Admittedly, skeptics have commented that the fact that the hearings were held behind closed doors did play its part. As soon as some deputies realized that their actions would hardly end up in the newspapers and on television, they immediately lost interest in the foreign policy problems that had worried them so much recently.

It may have been the calm atmosphere that made it possible to clarify the stance espoused by the Foreign Ministry and parliament on such complex issues as those linked with the ratification of the START II Treaty. No one wants unthinking ratification, Andrey Kozyrev told journalists. We must not turn back the clock to the days when the USSR Supreme Soviet automatically approved any decision adopted by the executive. What is needed now is careful, well-considered discussion of all problems associated with discussion of the treaty. Journalists have learned that the question of U.S. and Russian parliamentarians holding joint hearings on START II is already under discussion.

We have no intention, Andrey Kozyrev emphasized, of taking part in a disarmament race now, just as we previously renounced the arms race. With the conclusion of the START II Treaty and the signing of the convention banning chemical weapons we have reached a stage where there are virtually no spheres left in which to agree on cuts in various kinds of arms. Once it has implemented these agreements, Russia will attain precisely the level of defense sufficiency that it needs. Other problems are taking center stage today. This primarily concerns the nonproliferation regime. It would be tragic if new nuclear states were to appear along our borders at a time when the United States and Russia are cutting back nuclear arms. The question of confidence-building measures is acquiring particular significance.

"Aren't fundamental changes taking place in Russian policy, changes that many foreign newspapers are writing about nowadays as they analyze the Russian president's latest press conference," I asked Andrey Kozyrev.

He replied that no fundamental changes are taking place. But the president has underlined Russia's principled position. This position is that highly important decisions—be they decisions on Iraq or Yugoslavia—must not be adopted by a single country. It is precisely this tendency to act without recourse to other partners that some U.S. diplomats have displayed, as the president has said.

One must not think, Andrey Kozyrev said, that partnership relations preclude ups and downs and even conflicts. Why should we move on from confrontation to utopia? Let us move on to normal partnership. That always presupposes disputes and a clash of opinions. If you like, this demonstrates the maturity of such a partnership, the foreign minister stressed.

Khasbulatov Calls for Postponement on Budget Passage

OW2801195993 Moscow INTERFAX in English 1937 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] Chairman of the Russian Supreme Soviet Ruslan Khasbulatov urged deputies not to ratify the budget for 1993 until the government submits the budget's currency portion to parliament.

During a discussion of the budget resolution at a parliamentary session, upon Khasbulatov's insistence, a point was added to the text of the resolution, which was passed

by deputies "in part," whereby the financing of any federal organization (department, establishment) by state budget funds without the consent of the Russian Supreme Soviet is forbidden. As is known, the Supreme Soviet chairman brought up this idea more than once in connection with the information center, formed by presidential decree, which is currently headed by Mikhail Poltoranin.

Khasbulatov also asked that between the first and second readings of the resolution the government present the federal government structure and nominate the four ministers (defense, security, foreign affairs, and internal affairs - IF [INTERFAX]) who must be confirmed by the Russian parliament in accordance with the constitutional amendments adopted at the Seventh Congress of People's Deputies.

On Friday [29 January] the deputies will continue discussing the text of the resolution so that it may be passed "in full."

Deputy Reviews 'Difficult' Budget

LD2801152693 Moscow ITAR-TASS in English 1509 GMT 28 Jan 93

[By ITAR-TASS parliamentary correspondent Maria Kuzmenkova]

[Text] Moscow January 28 TASS—"Although the Russian president's budget message was again submitted to parliament behind time, the Supreme Soviet and the government were able for the first time to elaborate jointly on this document. Almost 40 parliamentary hearings were held, which helped to finalise even the budget items that were usually neglected before, and to take into account the proposals of all the territories of Russia," Chairman of the Planning and Budget Commission of the Russian Parliament Aleksandr Pochinok told a joint meeting of the two chambers of the Russian Supreme Soviet today.

Having described the budget as "difficult", Pochinok said its main flaw was that it "ate up" the accumulated potential and confirmed the collapse of the old investment policy. "If we fail to find means for the structural reform of the economy, our country will not be able to pull itself out of the crisis," he stressed. "The revenue part of the budget was sharply reduced, while the expenditures were left unchanged. More headaches were added by the foreign economy section," he said.

However, Pochinok believes that the Russian budget could be improved by some amendments to the economic policy. New revenues will be ensured, among other measures, by a tougher tax policy: It is necessary to ensure the more efficient collection of taxes, to renounce tax privileges, especially in foreign economic transactions, to streamline customs regulations, to resolve the problem of unsettled payments. "The Russian budget failed to get more than one trillion roubles last year due to ungrounded privileges. And, finally, it is necessary to settle the problem of the state debt and fix the dimensions and procedures for its repayment. Only in this way shall we be able to stem the snowballing of the foreign debt," Pochinok stressed.

In order to cut budget spendings, Pochinok moved to check all the state programmes in order to see which ones could be temporarily discontinued. In his opinion, it is also necessary to reduce or stop the financing of several branches of the state apparatus, in particular the Federal Information Centre.

Further Pochinok Comment

OW2801200293 Moscow INTERFAX in English 1937 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] The chairman of the Russian parliament Budget Commission, Aleksandr Pochinok, proposed that the lawmakers consider the 1993 budget item by item, paying thorough attention to each of them. Addressing parliament on Thursday [28 January], he criticized the foreign economic section of the budget, describing it as a "useless scrap of paper." The document, he said, lists revenues from foreign credits but makes no mention, for example, of the interest Russia has to pay on its foreign debt.

According to Pochinok, the state at best appropriates one tenth of Russian enterprises' hard currency revenues, which seriously affects the budget, he said.

Pochinok said that, due to favorable terms given to enterprises involved in foreign trade, Russia last year lost more than "one trillion rubles and an unbelievable amount of dollars, a quantity which is difficult to estimate because of the lack of proper accounting." He demanded that the practice be abandoned and that customs duties be replaced with a customs tariff.

Parliament Gives Government Deadline

LD2801234593 Moscow ITAR-TASS World Service in Russian 1647 GMT 28 Jan 93

[Report by ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow, 28 Jan—Today the Russian Parliament adopted, as a basis, a draft decision on a bill entitled "the budget system of the Russian Federation in 1993." The decision notes that the linkage between the bill and the aims of state economic policy is unsatisfactory. The Russian Government, together with the plan and budget commission and other parliamentary committees and commissions, have been given until 8 February to rework the draft law, taking account of today's debate on the president's budget message, and to submit the revised draft to the Supreme Soviet.

The draft decision includes a clause that prohibits the funding of any federal organizations (departments and institutions) out of the state budget without the agreement of Parliament.

It stresses that the Russian Government "has failed to meet the deadline it was given for submitting the 1993 hard currency budget to the Supreme Soviet." Parliament made it incumbent upon the Government to submit the hard currency budget by 8 February, so that it can be debated at the session, alongside the the president's budget message.

Tomorrow, the Supreme Soviet is expected to debate a revised draft of this decision, which takes account of criticisms and proposals made by deputies during the debate.

Executive Committee Member Sterligov Interviewed

OW2801210893 Moscow INTERFAX in English 2012 GMT 28 Jan 93

["Exclusive" interview with Aleksandr Sterligov, Executive Committee Member of the Russian National Congress, by unidentified INTERFAX correspondent; from the "Problems & Opinions" feature—following item transmitted via KYODO]

[Text] "IF [INTERFAX]": Recently you announced that the Russian National Congress means to form a coalition. What has brought this about?

STERLIGOV: It became necessary for the Congress to clearly determine its allies. It had to be established, who could act on our behalf and at what stage of the way they could do so. We hypothesize that in the spring, a collision will occur between the executive branch of government and those who, for various reasons, are in opposition to it. The reason for such a collision will most likely be the government's intended abolishment of the soviets and other possible changes to the representative branch of power - extending even so far as the liquidation of the Congress of Peoples' Deputies.

So far, we do know yet know what other "surprises" are being prepared by the democrats, who even now have started manipulating public opinion in connection with the awaited calling of a Constituent Assembly. It is not quite clear what a Constituent Assembly is, considering the present situation. What will it establish? Who will it represent? There are grounds to surmise that the supporters of this idea, Gavril Popov in particular, will do their best to ensure that the presidential structures themselves determine which deputies will make up the assembly.

By the way, the question as to whether, with the existence of a Constituent Assembly, a Supreme Soviet is necessary, will no doubt, also be discussed - their functions would overlap in many spheres. We also have reason to believe that if the Executive powers encounter problems during the formation of a Constituent Assembly and the liquidation of the Congress, they could resort to the use of force. In view of such a possible turn of events, we, the national-patriotic movements, must consolidate and overcome those differences in the assessment of the present political situation, which exists today.

"IF" [INTERFAX]: When you speak of your allies, you mean the National Salvation Front, or someone else?

STERLIGOV: Naturally, we cannot discount the participation of some representatives of the Front. However, on the whole, they will be various movements, first and foremost, naturally, national-patriotic ones. At present, we are conducting consultations so as to compare positions and exchange opinions on various questions. We are also examining mechanisms which, in the future, will allow us to create a Coordinating Council, or something of that nature.

"IF": Could you say specifically with whom these consultations are taking place?

STERLIGOV: At the present juncture - no. This is as yet premature, since the result of consultations is still undetermined. As soon as a list of organizations, which wish to act in concert with us is determined, we will make an appropriate announcement. This list, I would like to point out, will not only consist of political parties, but also of various cultural and educational organizations.

"IF": It seems this will be a coalition along the lines of the Civic Union?

STERLIGOV: Yes, possibly.

"IF": Where, in this case, will you find yourself in the political spectrum, to the left or right of Civic Union?

STERLIGOV: I think somewhat to the right. At the same time, we stand on the position of the Russian Government. Our priority, is the rebirth of the Russian people as a nation.

"IF": From this position, how do you rate the START-2 Treaty?

STERLIGOV: I feel its signing to be premature. The rush seemed to stem from the fact that George Bush and Boris Yeltsin's interests coincided here. Bush, in this way, goes down in history, while Yeltsin achieves his goal. That goal was to guarantee that the American side support Yeltsin as president, since it is he who ensures that Russia destroy its retaliatory strike armaments.

Margaret Thatcher, while Prime Minister of Great Britain, considered nuclear weapons to be a factor deterring possible aggression. In her opinion, they played a stabilizing role. This was a sober and well-thought-out position. The soon-to-be-destroyed SS-18 rockets play an analogous role for Russia.

They are located on mobile platforms, which significantly complicates the successful completion of the primary goal of an initial strike - to disable all enemy nuclear capability. These rockets would have guaranteed the ability to carry out a retaliatory strike, to carry out an act of revenge. When the SS-18 rockets are destroyed, America will assume a commanding position and will be able to dictate its terms to Russia. Moreover, knowing he is invincible can provoke an opponent into aggression. For these reasons, we consider the START-2 Treaty to be detrimental and dangerous for Russia.

Regional Affairs

Peacekeepers To Remain in North Ossetia, Ingushetia

LD2801141993 Moscow ITAR-TASS in English 1400 GMT 28 Jan 93

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz January 28 TASS—"A contingent of the Russian Army and militia units, numbering more than 5,000 men, are now discharging peace-keeping functions in the zone of the Ossetian-Ingush conflict. Jointly with men from the North Ossetian Interior Ministry and Ingush law-enforcement bodies, they have assumed full control over the situation in the region," Russian Deputy Interior Minister Lieutenant-General Igor Kozhevnikov told a briefing here today.

Speaking about the results of the work done by the investigation team of the Russian Interior Ministry, Kozhevnikov said that 32 checkpoints were set up in the region. Special teams were formed to make the search for missing persons more effective, to find places where the killed were buried and to identify them. Members of the investigation team have received more than 2,000 applications and reports on committed crimes over the past two months, as well as 600 requests to establish the whereabouts of people reported missing. It has instituted 120 criminal cases and discovered seven burial places, from which 25 bodies were exhumed. As many as 134 people, registered as missing, have been found.

Men of the Russian Interior Ministry have confiscated 576 units of firearms, 11 armoured vehicles, about 150 grenades, 300 units of cold steel and about 50,000 rounds of ammunition.

"The Russian peace-keeping forces," Kozhevnikov said, "will remain in the conflict zone exactly as long as required to fully stabilise the situation. The state of emergency is expected to be prolonged on the territory of Northern Ossetia and Ingushetia until March 31, 1993.

State of Emergency Extended

LD2801175393 Moscow ITAR-TASS World Service in Russian 1628 GMT 28 Jan 93

[By Ivan Novikov, ITAR-TASS parliamentary correspondent]

[Text] Moscow, 28 Jan—Russia's Supreme Soviet has extended the period over which the state of emergency in the North Ossetian SSR and the Ingush Republic is to be in force from 30 January 1993 to 31 March 1993. The state of emergency in the region was introduced by the Russian president on 2 November 1992 after the outbreak of bloody interethnic confrontation between Ossetians and Ingushis.

The parliamentary resolution also binds the Interim Administration in the North Ossetian SSR and the Ingush Republic to guarantee the observance of public order during the voting in the presidential election in the Ingush Republic, due on 28 February 1993.

Vice Premier Comments

OW2801195793 Moscow INTERFAX in English 1937 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] The Russian Federation Supreme Soviet on Thursday [28 January] extended the state of emergency on the territory of North Ossetia and Ingushetia for another two months, or until March 30.

Russian Vice Premier and Chairman of the State Committee on Ethnic Policy Sergey Shakhray, appearing before deputies, said that if the state of emergency in the zone of the Ossetian-Inguish conflict was not extended, the temporary administration there could get out of control. He said that at present they would be able to keep the conflict from spreading only with the presence of armed forces in the region, who have been assigned to the temporary administration. Shakhray did not rule out the possibility that this the spring the conflicting sides, who are remaining steadfast to their diametrically opposed positions, "could cross over to the use of force."

The vice premier said the recent Ossetian-Inguish negotiations in Kislovodsk had "not major, but positive results: during negotiations, the guns are quiet." The Russian State Committee on Ethnic Policy is trying to use economic methods and national diplomacy to relieve tension and attract observers and neighboring countries from the North Caucasus.

Shakhray said the resolution from the Russian Federation's December Congress of People's Deputies on disbanding non-registered armed formations is still being ignored. He said the temporary administration is prepared to disband these formations by force, but this would be "the most extreme method."

The Russian parliament's resolution includes a provision allowing presidential elections to be held in Ingushetia on February 28. However, the Russian state of emergency law forbids the conducting of any elections in state of emergency zones.

An emergency session of the Inguish National Congress, held a few days ago in Nazran, essentially agreed with the

Russian Supreme Soviet's suggested date for the presidential elections, which was changed from January 24 to February 28.

Delegation Drafts Final Protocol on Chechnya Relations

OW2801152893 Moscow INTERFAX in English 1436 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] Experts involved in the Russian-Chechen parliamentary- governmental talks have drafted a final protocol, First Deputy Commander and Chief of the General Staff of the Chechen Republic, Viskhan Shakhabov, told Interfax on Thursday [28 January]. He said that this document sums up he results of the talks on economic and transportation issues, on ways of normalizing the situation in the North Caucasus and on joint measures to combat crime, and is expected to be discussed by the leaders of the delegations on January 29.

He said that Chechnya does not intend to isolate itself from Russia with a Chinese wall. He noted, however, that Groznyy is going to deal with Moscow on the basis of an inter-state treaty. He also added that Chechnya might become a member of the CIS.

Shakhabov pointed out that both sides will work for the attainment of an agreement through compromises. He also noted that the Chechen delegation which has arrived in Moscow has all the necessary powers to initial the documents.

Dudayev Disavows Delegation

OW2801152593 Moscow INTERFAX in English 1436 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] According to reports received by Interfax from informed sources in Moscow, Chechen President Dzhokhar Dudayev has disavowed a Chechen state delegation which is conducting negotiations in the Russian capital. The occurrence was noted in a note from Chechen Foreign Minister Shamsuddin Yusef to Russian Foreign Minister Andrey Kozyrev.

The Chechen state delegation, headed by Bek Mezhidov, the republic's parliamentary chairman, arrived in Moscow on Tuesday [26 January] for the revision and initialling of the text of a Russo-Chechen treaty on delimitation and exchanges of delegations between the two countries. The decision to sign the document was made during a visit to Groznyy by Russian Vice-Premier Sergey Shakhray on 14 January.

Negotiations Halted for Two Weeks

OW2801172893 Moscow INTERFAX in English 1713 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] Ayad Akhmatov, an expert of the Chechen delegation, reported to Interfax that on Thursday [28 January] the Russian-Chechen negotiations which were started on January 26 in Moscow were interrupted approximately for two weeks. According to Akhmatov, the parties, nevertheless, managed to exchange drafts of a treaty to delegate and divide authorities between the Russian Federation and Chechnya.

In his turn Nikolay Medvedev, the chairman of the Russian parliament's commission on national-state system and inter-ethnic relations, reported in his interview with Interfax that the negotiations were interrupted due to a note from the Chechen Foreign Ministry received from Grozznyy. The note disavows the authorities of the Chechen delegation.

Meanwhile, the Chechen Foreign Minister Shamsuddin Yusef asserts that over the last few days the Chechen Foreign Ministry has not sent any note to the Russian Foreign Ministry to disavow the authorities of the Chechen delegation in Moscow.

The minister reconfirmed that the composition of the delegation which is conducting negotiations in the Russian capital now was approved by the government and agreed with the Chechen parliament. "This delegation has received authorities to negotiate," he underlined.

Nationalities Council Head Comments

OW2801200893 Moscow INTERFAX in English 1938 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] After negotiations Ramazan Abdulatipov, member of Russian delegation and chairman of Russian Supreme Soviet's Council of Nationalities, declared in his interview with Interfax that during the three-day negotiations in Moscow between the parliamentary-governemtal delegations of Russia and Chechnya "the parties have agreed on all issues being discussed."

According to Abdulatipov, on mutual agreement the parties are supposed to exchange a package of documents related to development of a draft of Russian-Chechen treaty on mutual delegation and division of authorities. Following their examination, approximately in the third decade of February, the parties will conduct another round of negotiations. Abdulatipov said that the Chechen side will determine the place for the negotiations.

In Abdulatipov's words, on Thursday [28 January], the Russian Foreign Ministry informed the participants of negotiations about a telegram of the Chechen President

Dzhokar Dudayev dated January 20 in which he has practically disavowed authorities of his republic's delegation. Abdulatipov pointed out that this information "was a surprise for the Chechen delegation." He thanked members of the Chechen delegation headed by first deputy chairman of the Chechen parliament Bek Mezhidov as "they found the courage to continue and to complete the negotiations despite the pressure exerted on them."

Meanwhile, on Thursday Shamseddin Yusef, the Chechen Foreign Minister, sent a telegram to Andrey Kozyrev, the Russian Foreign Minister, in which he refuted messages that the Chechen leader Dudayev disavowed authorities of the republic's delegation at the negotiations in Moscow.

Speaker Reemphasizes Delegation Authority

LD2901095393 Moscow Mayak Radio Network in Russian 0130 GMT 29 Jan 93

[Text] Good-neighborly interstate relations with Russia have been and continue to be a priority for the Chechen Republic, and we support in every possible way the start of the negotiations in Moscow, an ITAR-TASS correspondent was told by Chechnya parliament speaker Khusayn Akhmadov.

He himself phoned the ITAR-TASS office in Groznyy and sharply denied the report that Dzhokhar Dudayev had supposedly disavowed the authority of the Chechnya delegation. The composition of our delegation, Khusayn Akhmadov said, headed by first deputy parliamentary chairman Bek Mezhidov, was agreed with the Chechnya president and has all authority to develop a draft interstate treaty between Russia and Chechnya and the necessary agreements between the countries.

The Chechnya parliamentary speaker viewed the report on the lack of authority of the Chechnya delegation as a deliberate provocation aimed at disrupting the dialogue between Russia and Chechnya, which has been restarted with such difficulty. Chechnya's official information agency, CHECHEN-PRESS, made a similar statement, referring to Dzhokhar Dudayev.

According to information from the Chechnya leadership, the Russian and Chechnya delegations are finding a common language. Participating in the work are Ramazan Abdulatipov, Sergey Shakhray, and other representatives of the Russian leadership.

Tatarstan-Russia Ties Must Be Constitutionally Based

PM2801104793 Moscow KRASNAYA ZVEZDA in Russian 26 Jan 93 p 1

[RIA report under the "From Our Information Office" rubric: "Tatarstan President Believes That Treaty With Russian Federation Must Be Signed Before All-Russian Referendum Is Held"]

[Text] Tatarstan President Mintimer Shaymiyev has held a press conference devoted to the results of his meeting with Russian President Boris Yeltsin, during which they discussed the draft treaty between Russia and Tatarstan.

"I believe that we must sign the treaty with the Russian Federation before the all-Russian referendum is held," the Tatarstan president announced to journalists. "We have adopted a joint communique which says that relations between Russia and Tatarstan should develop on a constitutional basis, that is to say relations between the republics should be constitutionally enshrined."

Demonstrators in Tatarstan Protest Conscriptions in Kazan

OW2801213893 Moscow INTERFAX in English 1940 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] Representatives of the Tatar national movement demanded Tatarstan's authorities to protect interests of conscripts and servicemen from the republic and to stop their call up to the Armed Forces of the Russian Federation.

On the initiative of these organizations demonstrators organized picketing in front of the Kazan Kremlin, military commissariat, and Tatarstan's Interior Ministry. Members of committee on protection of conscripts and servicemen and of the committee of soldiers' mothers of the Tatar public center and conscripts and servicemen deviating from service outside Tatarstan were participating in the picketing.

During the picketing demonstrators read letters of servicemen in which they enumerated facts of human rights' violations and unestablished relations in the Russian army and insults and coercion with respect to servicemen from Tatarstan.

The demonstrators also demanded to transfer military commissariats under Tatarstan's jurisdiction and to consider problems connected with military service at the near session of the republic's Supreme Soviet.

Moscow Mayoral Candidates Portrayed

MK2801122193 Moscow NEZAVISIMAYA GAZETA in Russian 28 Jan 93 p 2

[Vitaliy Kolbasyuk commentary: "Everyone Wants To Be Mayor: The General, the Millionaire, and the 'Spider': Moscow Is Buzzing With Candidates' Promises"]

[Text] The Moscow branches of all kinds of parties have started feverishly nominating candidates for the post of head of the city administration. This process became particularly energetic after the Moscow prosecutor deemed the mayoral elections scheduled for the end of February unlawful. At the moment, those who want to taste the forbidden fruit are the Liberal Democrat Zhirinovskiy; the Cadet [Constitutional Democrat] Astafyev;

PRAVDA's Ilyukhin; the economic liberationists' chief Borovoy; the Radical Troitskiy; Smena member Golovin; Generals Filatov and Sterligov; local administrators Krasnov and Travkin; communist, democrat, and patriot Zavidiya; Imam Akhmadiyev; and Russian Property Fund Deputy Chairman Klyuchnikov. This list is growing all the time, and there will probably be about 30 candidates in the illegal elections.

This marks the start of a new phase of the struggle between Moscow City Soviet and City Hall, moving from pointless rearguard skirmishes to open confrontation. A brief analysis of what the candidates for the post of mayor have already said allows us to suggest that Muscovites, who are becoming more depoliticized every day, can expect, as winter draws to a close, a show of unusually fine and lush sounds issuing from megaphones, and even from a rock group's powerful loudspeakers. In KOMSOMOLSKAYA PRAVDA, Sergey Troitskiy, member of the Radical Party and leader of the rock group "Metal Corrosion" (stage name "Spider"), set forth his program, which could be put into practice by the tried and tested "blunt" methods of Stalin and the City Halls of fascist Berlin and democratic Washington. Yet "Spider" wants Yavlinskiy as one of his advisers... The "Metal Corrosion" bards will soon be putting their program into verse and, backed by the heart-rending wail of the lead guitar, singing it on stage. The half-naked young girls who are "Spider's" constant companions will help the masses to digest the main provisions of the candidate's program with the assistance of a little unobtrusive striptease.

Who can be compared with Troitskiy? Zhirinovskiy? This politician has grown more cautious; the tone is still the same, but without the former hotheadedness and with less narcissism. He was the first to register at the district electoral commission. After which he promptly sent off his fine young warriors to fight in Iraq.

Zhirinovskiy is running without his companion Zavidiya. The Soviet answer to Springer, who, according to him, owns 38 newspapers in Russia, wanted to participate in the election marathon too. He told Radio Liberty that as a communist, democrat, patriot, and millionaire, if he becomes mayor he will give the Muscovites back everything that has been taken from them, and will take care of the Russian structures. According to Zavidiya, he has his people everywhere, and 500 organizing committees will soon launch large-scale campaigning.

The Cadet M. Astafyev and Party of Economic Freedom leader K. Borovoy are united by the desire to combat crime. Borovoy wants to give everything away to the people, leaving only 30 percent of the land in municipal hands. He does not want to get involved in trade or to reprimand administrators for shortfalls in beet deliveries—the free private owner should do everything himself. Here Mr. Borovoy echoes the words of the capital's first mayor, Gavriil Popov. The latter said repeatedly that nowhere but Russia does City Hall concern itself with the economy, and it must stop. True, he went off to revive the constituent assembly without having stopped it. Now his colleague Yu. Luzhkov governs Moscow from dawn till dusk, with variable success. Strong talk in the capital government's hall of sessions every Tuesday testifies to the hard life of the city mayor and the resilience of administrative management methods. This fact has already been grasped by A. Krasnov, chairman of Krasnopresnenskiy Rayon Soviet, which was abolished in the first mayor's innovations, and N. Travkin, head of Shakhovskiy Rayon administration. The former became well known as a campaigner for turning Presnya into a free trade zone, while the latter only recently opened a restaurant in what used to be the reading room. Both of them thereby demonstrated that they are well prepared to be city leaders, because an insatiable lust for action and a kind of passion for administration are the main qualities of a city head of administration in Russia.

The candidates express themselves equally strongly, because they are all united by patent hostility toward the existing administration. M. Astafyev even proposed that candidates with similar programs should make a pact for mutual assistance in the election campaign. The Cadet's statement could lead to the formation of a political bloc in the struggle for the post of mayor. Thus the small parties can club together to feed the voters with rice patties and print pamphlets. But some of the candidates are capable of allocating large sums to the campaign. Zavidiya has threatened to "chuck in" hundreds of thousands of rubles, Borovoy—half a billion, while the other candidates have not said much about money.

The legal fuss over the post of mayor is preventing more peaceable figures, who could well win the election, from putting forward their candidacies.

Mayor Yu. Luzhkov is silent, and N. Gonchar, Civic Union representative in Moscow City Soviet, is also in no hurry. Luzhkov, who now has absolute authority over the capital's militia, feels sure of himself. Taking a broader view, he does not really want to put forward his candidacy. Viktor Chernomyrdin's arrival in the Kremlin means that the way into the Russian Government is opened up for Luzhkov, and N. Gonchar could also move up to higher spheres once his powers as chairman expire.

Representatives of Moscow's financial and industrial circles who have risen from the ranks of the cooperatives and made a billion in capital—those are the people who have not yet put forward their candidate. But since no leader of a concern or exchange is going to enter the struggle for the post of mayor personally, they will put forward their own man who has already worked in the city's power structures and is familiar to voters. Russia's new bourgeois now have a good relationship with the city government and the Russian Government, and they will not allow any changes that would be disadvantageous to their business. We are talking about specific individuals, financial groups, and exchanges known to everyone. I am

not naming them purely because there is not yet sufficient information to compile a more definite list of the candidates for the city leadership.

It has become known that a delegation from Moscow has set off for General Lebed's headquarters to ask him to take the post of mayor.

EFP Candidate on Policies

OW2801213193 Moscow INTERFAX in English 2013 GMT 28 Jan 93

[Interview with Constantine Borovoy, Moscow mayoral candidate and businessman, by unidentified INTERFAX correspondent; from the "Problems & Opinions" feature—following item transmitted via KYODO]

[Text] A flourishing businessman, one of Russia's first millionaires, leader of the Economic Freedom Party (EFP) and, presently, a candidate for Moscow Mayor. At the request of an Interfax corespondent, Constantine Borovoy gave his evaluation of the first steps of Viktor Chernomyrdin's government.

BOROVOY: Such measures as the provision of 200 Mn [million] rubles of privileged credits to the mining industry and a decree about government price regulation on some forms of products, recalled, it is fair to say, for additional consideration, will not lead to either the lowering of social tensions, nor to the normalization of the economy. Price regulation should not be undertaken now under any circumstances.

It is easy to predict the short term consequences of these actions—a speeding up of price growth and an increase in the scale of hidden profits, a decrease in the amount of tax received by the government, and continued "laundering" of poor quality products. I am convinced that what the country needs now are some widely accepted and proven method of combating inflation, such as a sharp decrease in government spending, as well as the privatization and de-monopolisation of the economy.

"IF" [INTERFAX]: With this in mind, how can we ease the social and economic burden on the people?

BOROVOY: As far as Social Security is concerned, the main political principle in this field should become the planned subsidization of the consumer, not the manufacturer, of staple goods. We must also create jobs for socially weak groups, that is, to develop that, which Chernomyrdin calls "stalls" - small stores, businesses and so forth. In a normal economy, roughly 80% of jobs are located in these spheres.

I feel, our government does not have the required experience, of survival in a free market. People should come to power who are not familiar with the free market only through hearsay. Any kid from a brokerage office, possesses this experience nowadays. He will never start to order businesses to be profitable, instead, he will achieve the same goal through purely economic means.

"IF": How does the EFP intend to improve the economic situation in the country?

BOROVOY: Our party will not organize meetings or picket lines. We intend to employ only civilized means. Here is but one example. Shortly after the publication of the EFP's expert evaluation of the decree on government price regulation, which contained heavy criticism of the document, the document was recalled for further evaluation. I am convinced that this was due, in no small part, to the opinion of our experts, which is very highly regarded, and is passed on straight to the Prime Minister.

What is required is a smooth process of transition, which will put new people into the power structure. It is imperative to form a new concept of government in 1993. As a result, qualitatively different people must come to power - people far from ideology, but ones who understand the market economy.

International Affairs

Kiev Radio on Kravchuk-Clinton Phone Conversation

LD2801171793 Kiev Radio Ukraine World Service in Ukrainian 2300 GMT 27 Jan 93

[Text] A statement by Roman Popadiuk, ambassador of the United States of America to Ukraine, was made public for the press on 27 January.

President Clinton emphasized again the importance of bilateral relations with Ukraine during a 20-minute telephone conversation with President Leonid Kravchuk on 26 January, and stated his wish to establish close personal relations with the Ukrainian president.

President Clinton stated his support for economic and democratic reforms in Ukraine. President Clinton advised Ukraine to continue working with the International Money Fund, in as far as this will make a positive impression on financial business circles and will speed up investment in Ukraine.

Both Presidents also discussed START I and the nuclear Non-Proliferation Treaty. President Kravchuk stated that he was certain that the START Treaty would be ratified, and that Ukraine would accede to the nuclear Non-Proliferation Treaty, and confirmed that he would continue to apply efforts in this direction.

President Clinton's proposal to arrange a meeting between Secretary of State Warren Christopher and Minister of Foreign Affairs Anatoliy Zlenko in the near future in order to plan the main points of bilateral relations to their full extent was proof of America's serious attitude toward Ukraine.

President Clinton wants these relations to be multifaceted, such that would be directed at political and economic issues, and not only at security issues. President Clinton thanked President Kravchuk for the congratulations on his assuming the post. This was a statement for the press by Roman Popadiuk, ambassador of the United States of America to Ukraine.

Ministry Investigating UN Sanction Violations

LD2801223193 Kiev Ukrayinske Telebachennya Network in Ukrainian 1900 GMT 28 Jan 93

[Text] The Novyny television and radio agency reports: The Ukrainian Foreign Ministry's press center issued a statement today noting media reports that Ukraine has breached UN sanctions against the FRY by allegedly delivering petroleum products via the Danube River. The Ukrainian Foreign Ministry's press center is authorized to state that an investigation is being conducted by relevant Ukrainian bodies to verify the above-mentioned facts and that a statement on this will be made soon.

IZVESTIYA Investigates

PM2801145393 Moscow IZVESTIYA in Russian 28 Jan 93 p 1

[Nikolay Yermolovich report: "Impudent UN Sanctions-Busting: Fuel Oil From Ukraine Shipped to Serbia"]

[Excerpts] The great furor that has attracted the world community's attention began in the Danube's Romanian waters, when the authorities attempted to detain there a Serbian convoy consisting of the tug Bikhach and six barges. The gasoline and diesel fuel in their tanks must not be delivered to Yugoslavia—this is very strictly forbidden by UN Security Council sanctions.

"The customs and port authorities attempted to stop the crew of the Bikhach by using signaling and other methods of communication," General Dumitru Luca, commander of the Romanian Border Troops, stated, "but they did not obey." The tug's captain nonetheless promised that the convoy would return to the Ukrainian port of Reni, where they sailed from, but he deceived the authorities. Having executed a maneuver toward Ukraine, a little later the convoy again turned up the Danube. [passage omitted]

The furor has continued to spread and has now reached the Bulgarian banks, where the convey has managed to move to. Bulgarian Coast Guard and customs officers attempted to stop the vessels near the city of Lom, but the crew ignored this attempt too. [passage omitted]

Meanwhile, according to Bulgarian State Shipping Inspectorate data, another two Serbian convoys of tanker barges, which REUTER claims are also loaded with Ukrainian diesel fuel, have entered the Danube's Bulgarian waters.

Of course, Ukraine's position in this whole episode is of no little importance. If REUTER is correct in reporting that the oil products destined for Yugoslavia were loaded at a Ukrainian port, at least two questions arise: Are UN sanctions binding on Ukraine and can its need for oil products be so great if they are being reexported?

Your correspondent telephoned the Ukrainian Foreign Ministry Information Department in Kiev. Department Chief V.L. Chernyy reported that the ministry unfortunately still does not have complete information about what has happened, because it is coming in from various sources. So, for the time being, he cannot answer IZVESTIYA's questions. However, in his opinion the REUTER reports are not objective and are clearly tendentious. Ukraine is strictly adhering to the UN sanctions against Yugoslavia.

Agreement Signed With Turkmenistan on Fuel Trade

LD2801210993 Moscow ITAR-TASS World Service in Russian 1915 GMT 28 Jan 93

[Report by UKRINFORM correspondent Aleksey Petrunya for TASS]

[Text] Kiev, 28 Jan—Turkmenistan will supply Ukraine with gas in exchange for its goods. Questions relating to mutual settlements were discussed during a two-day visit to Kiev by a government delegation from Turkmenistan. It was headed by Deputy Prime Minister Valeriy Otchertsov.

Ukraine is to buy gas for coupons, with which Turkmenistan can purchase Ukrainian goods. Their range and quantity were defined.

The talks dealt with trade-economic cooperation and monetary- payment settlements, as well as problems of the fuel and energy complex and of military policy.

Ukrainian Vice Premier Yuliy Ioffe called an accord on Turkmenistan investment in Ukraine's economy one of the talks' main achievements. It is a question of supplies of equipment and materials and the recruitment of workers.

Russia Planning To Open Consulates in Ukraine

LD2801203693 Kiev Radio Ukraine World Service in Ukrainian 0600 GMT 28 Jan 93

[Text] Leonid Smolyakov, ambassador extraordinary and plenipotentiary of the Russian Federation to Ukraine, has taken part in a joint collegium of the Sevastopol state administration and the town council of people's deputies. In particular he spoke during it about the problem of dividing the Black Sea Fleet between Russia and Ukraine. The ambassador reported that it is planned to open consulates-general of Russia in Odessa, Lvov, and Sevastopol. At the same time such establishments of Ukraine could be opened in St Petersburg, Tyumen, and Vladivostok. Touching on the issue of dual citizenship for the inhabitants of Sevastopol, Leonid Smolyakov noted that this issue is currently being discussed at the highest level by both sides.

National Affairs

Security Council Meets on Nuclear Energy Program

OW2801201993 Moscow INTERFAX in English 1939 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] On Thursday [28 January] the session of the presidential National Security Council chaired by Leonid Kravchuk, the Ukrainian President, discussed the state of power industry and prospects of nuclear technology exploitation for civil purposes.

Kravchuk's press secretary, Vladimir Shlyaposhnikov, told INTERFAX that in the course of the discussion representatives of the Supreme Council, republic's Academy of Sciences, and Public Health, Environmental protection, and Energy Ministries and Gosatomnadzor (State Committee to supervise nuclear energy enterprises) stressed that this problem should be examined taking into account the economic difficulties experienced by Ukraine now. The session underlined the significance to establish close cooperation of scientists with corresponding structures of the executive power.

The session adopted a decision to develop Ukraine's energy program in the near future. The document adopted by the session states the necessity to determine the strategy to meet energy requirements of the republic and the concept to control nuclear energy complex.

According to Shlyaposhnikov, the session of the National Security Council has not considered any other issues.

Kravchuk Urges Cooperation With Representative Bodies

LD2801224893 Kiev Ukrayinske Telebachennya Network in Ukrainian 1700 GMT 28 Jan 93

[Excerpts] President Leonid Kravchuk of Ukraine today met rayon representatives who were on a study course at the cadres' refresher course center of the Institute of State Management and Self-Government, attached to the Cabinet of Ministers. [passage omitted]

[Unidentified correspondent] In his speech, the president naturally mainly paid attention to issues of power. After all, it is a common secret that certain political forces are trying to discredit the institution of representatives and to place it in opposition to local councils.

[Begin Kravchuk recording] Ways of solving the problems that we have today need to be found by all structures of power and by all political forces together. As soon as this rope starts to be pulled to one side or another, this will be disrupted.

That is why I am simply making an earnest appeal to you. Find, do find, at any cost ways of acting jointly with representative bodies.

I know that various sorts of talk are going on, both around this and about what is going to happen and what it will be like.

I have come out and do come out in favor of the fact that today no resolute steps by way of reorganizing and re-reorganizing are permissible before the adoption of the constitution and before the adoption of (?supreme) laws. If one really wants us not to go into an even more severe crisis, one has to understand this. [end recording] [passage omitted]

Kravchuk Pledges State Support for Railroads

LD2901094393 Kiev Ukrayinske Telebachennya Network in Ukrainian 1700 GMT 28 Jan 93

[Excerpts] There was a meeting today between Ukrainian President Leonid Kravchuk and executives of the Ukrainian Railway Transport State Administration and heads of the industry's trade union. [passage omitted]

[Unidentified correspondent] The industry is incurring losses, and has been forced into buying fuel at world prices. The rolling stock of passenger railcars is outdated, and our former traditional partners demand 1 million Deutsche marks for every new railcar. Unemployment has already reached 200,000. [passage omitted]

The participants in the discussion agreed that Ukraine's railroads must be state-owned, as is the case worldwide, and not be subject to privatization. They also called for the setting up of a Ukrainian Ministry of Communications [Ministerstvo Shlyakhiv]. Leonid Kravchuk reacted somewhat skeptically to this suggestion, but he did not reject it. [passage omitted]

President Leonid Kravchuk reached the following conclusion: We need a system of state support for the railroads and a program to reequip the industry. However, for such a program we have to rely on our own capabilities and cannot rely on imports. Finally, it would be absurd to levy a land tax on the state railroads, which anyway offer the lowest wages.

Supreme Council Session Continues 27 Jan

LD2701192393 Kiev Ukrayinske Telebachennya Network in Ukrainian 1700 GMT 27 Jan 93

[Text] The work of the session of the Supreme Council of Ukraine continued today. A resolution was adopted on the socioeconomic situation in Ukraine and measures on its stabilization, social protection of the population and improvement of the work of the Supreme Council under the conditions that have come about.

A resolution was adopted on implementing the law of Ukraine on peasants' farming.

Governmental decrees concerning the regulation of rent relations were suspended. It was decided to send these decrees to the Cabinet of Ministers for finalization.

National Bank Chairman Appointed

PM2901095193 Moscow IZVESTIYA in Russian 28 Jan 93 p 1

[Sergey Tsikora report: "Ukraine: Bankers Have New Leader, Government Has New Bearings for Economic Course"]

[Text] Kiev—The Supreme Council has approved 39-year-old Viktor Yushchenko as the National Bank of Ukraine's new chairman.

This is an important appointment from both the political and the economic viewpoints. The creation of a national banking system in Ukraine has already cost the careers of two eminent bankers. V. Yushchenko is the third head of the National Bank in the last 18 months. Such frequent removals of top people in the banking sphere reflect a sad aspect of Ukrainian reality: Banking is an utter shambles here. This is recognized in parliament, in the government, and in presidential circles.

Nominations for the role of the republic's chief banker were sought with extreme care. V. Grinev, deputy chairman of the Ukrainian Supreme Council, reported that five candidates' nominations were discussed. Financiers, industrialists, and a number of well-known figures in political movements, with whom consultations were held, gave preference to Yushchenko as a practical banker who has climbed the ladder from kolkhoz accountant to leader of the largest joint-stock bank.

Lately the Ukrainian Government has repeatedly said that in order to resolve matters expediently it would be good if the National Bank were subordinated to the Cabinet of Ministers. But at a meeting with Prime Minister L. Kuchma, Yushchenko stated that the National Bank cannot be legally subordinated to the government. The solution to the present economic crisis, in Yushchenko's opinion, lies in the coordination of actions between the National Bank, the Cabinet of Ministers, and business circles.

It should be noted that discussion in the republic parliament of nominations for the post of National Bank chairman did not proceed very smoothly. Deputies' speeches contained calls not to support the candidate. But evidently the opponents' arguments did not prove to be all that convincing. Yushchenko was approved and he has now become the youngest leader in the history of the Ukrainian banking system as well as in the hierarchy of the republic's top officials.

The creation of an efficient banking system in Ukraine will not be Yushchenko's only strategic task. On the day he was approved as the bank's chief the Cabinet of Ministers adopted the government's action plan for 1993. It surprisingly intertwines the transitional period's contradictions—whereby the economy is being channeled toward the market while being managed by administrative methods. It will not be easy for the financiers' boat to sail along this river full of rapids.

At a news conference journalists received condensed information about the plan to be submitted to the Supreme Council for consideration. Of the government's tasks for this year, the six most important were singled out: Reorganizing the administration of the economy's state sector; resuming the effectiveness of state authority; controlling inflation; developing the infrastructure of the markets for resources, products, and capital; making changes in the trade sphere; and corporatizing state enterprises.

Just how promising this government plan is will become clear in a few days, when it is discussed in parliament. The attitude in the Supreme Council toward the government's reforms is far from unequivocal. The question raised by deputies from the Lugansk area on the early termination of powers temporarily granted to the government by the Supreme Council has not been removed from the agenda. Moreover, expenditure in no way tallies with income in the Cabinet of Ministers' plans and, given a certain combination of circumstances, inflation threatens to reach a level of

500 percent a year. The showdown between the government and parliament therefore promises to be more stormy and difficult than ever.

Sixth Session Ends

LD2901092993 Kiev Ukrayinske Telebachennya Network in Ukrainian 1700 GMT 28 Jan 93

[Text] The sixth session of the Ukraine Supreme Council ended today. Here is a report by our parliamentary correspondent:

[Unidentified correspondent] It was mainly the directorial corps of deputies that took part in a traditional warm-up exercise this morning. Heads of industrial enterprises insisted that their problems, in particular that of the examination of a possibility of abolishing the prepayment for shipped products, be included in the agenda. These demands will apparently be taken into account when approving the agenda for the next session.

The work then went on in accordance with the plan determined for today. Changes and amendments were made in the Criminal Code and the Code of Criminal Procedure of Ukraine. These changes have to do with the concealment of currency profits.

Then a draft law on auditing activity at its first reading was discussed. This draft law was adopted.

A draft law on concessions at its first reading was examined. A concession grants to some or other foreign firms the exclusive right to develop mineral resources and to manage them. That is why the deputies regarded this law as predatory, as far as Ukraine was concerned. Thus, the results of the vote were entirely natural, with the vast majority of the deputies having come out against the adoption of the draft law on concessions.

Certain changes were made in the law on citizenship in the course of further work. In particular, the closing date for obtaining the citizenship of Ukraine was postponed until 13 November.

Laws on introducing changes in Article 45 of the law on the state body of notaries and on introducing changes and amendments in the resolution by the Ukraine Supreme Council on the procedure of carrying into effect the law on road traffic were adopted.

A relevant resolution on the issue of withdrawal and provision of plots of land for nonagricultural needs and preliminary coordination of the location of facilities was adopted.

This is how the sixth session of the Supreme Council of Ukraine ended. The seventh session will begin next Tuesday, 2 February.

Allegiance to Republic Taken By 10 Percent of Fleet

LD2801201693 Moscow ITAR-TASS World Service in Russian 0750 GMT 28 Jan 93

[By Vadim Byrkin, ITAR-TASS special correspondent]

[Text] Sevastopol, Crimea, 28 Jan—Five combatant ships and about 20 educational institutions, units and organizations—this is what Ukraine's Navy comprises at present. Captain first rank Anatoliy Danilov, acting head of the socio-psychological service of the Ukrainian Navy, has told an ITAR-TASS correspondent in an interview that another six vessels are being built at the republic's shipyards.

According to Danilov, command structures are being formed in the naval forces at present, and attestation is under way. As for the selection of cadres, it is conducted in accordance with three criteria: loyalty to the people of Ukraine, competence, and decency.

The data from the headquarters of the Ukrainian Navy show that 10 percent of the officers, warrant officers, and seamen of the Black Sea Fleet have taken an oath of allegiance to the people of the Republic.

Asked about the setting up of Ukraine's Naval Institute on the basis of two naval schools in Sevastopol, which resulted in Russia losing its base for training military nuclear specialists, while Ukraine does not require such specialists, Anatoliy Danilov pointed out that under interstate treaties Ukraine can train specialists for Russia in exchange for a certain payment.

Ukraine Planning Large Oil Tanker Fleet

LD2801202793 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1200 GMT 28 Jan 93

[Report by Sergey Fateyev; from the "Novosti" newscast]

[Text] Ukraine is moving from merely talking about setting up a powerful tanker fleet of its own to the practical implementation of this project of the century, and Odessa—one of the world's biggest transport centers—is set very soon to become a major oil terminal. This was stated at his first news conference for Ukrainian and foreign journalists by Pavel Kudyukhin, the new head of the Black Sea Shipping Line, who stressed that hopes of oil from Russia are illusory.

Ukraine intends shortly to purchase abroad and then build more than 40 small, medium, and large-tonnage tankers at German shipyards, with the participation of Ukrainian shipbuilders. They will be designed to transport 40 million tonnes of oil every year. This grand design has already been approved by President Kravchuk and Prime Minister Kuchma, and German firms have agreed to finance it. Eighty percent of investments have, moreover, been promised free of charge. Implementation of the program which has yet to be endorsed by the Ukrainian parliament is expected to take several years.

Belarus

Deputy Defense Minister on Weapons Export

OW2801154193 Moscow INTERFAX in English 1437 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] Today, Belarus exports tanks, planes and fire arms, First Deputy Defence Minister Aleksandr Tushinksiy told Interfax.

He said that recently a batch of tanks had been purchased by Italy. Talks are being held on exporting specialized military computers, optical sights and guidance systems. Belarusian experts are exploring the possibility of producing Belarusian fire arms similar to the Uzi sub-machine gun.

Soon, Belarusian military colleges will start training foreign citizens. An agreement with India has been drafted already, said Tushinsky.

Shushkevich Interviewed on Current Issues

WS2801133193 Minsk ZVYAZDA in Belarusian 1 Jan 93 pp 1,2

[Interview with Belarusian Supreme Soviet Chairman Stanislav Shushkevich by the journalists at the National Belarusian Television Studio: "The Principle of My Work Is To Compromise"]

[Text] [Narkevich, ZVYAZDA] Letters from our readers show that the living standard of the majority of people is dramatically declining. Many people blame the Republic's administration for this: the legislature, the government, and you. How justified are these claims? Our readers keep asking what measures will be taken for the improvement of the economic situation of Belarusians.

[Shushkevich] Calling these claims groundless would be a lie. At the same time, I want to divide the answer into two parts. First, things that depend mainly on the Supreme Soviet, and second—those that do not depend on it, and probably do not depend on Belarus itself. Things are changing very quickly and not everything can be forecasted and altered. The government and the Supreme Soviet are trying to protect people from the negative consequences of the changes that are under way. The minimum wage adopted by the Supreme Soviet in some way improves the situation. The same concerns pensions. We are taking care of the people who cannot care for themselves. We say to people: to live better you should work better. But pensioners cannot do anything. I think that the Supreme Soviet adopted good, precise resolutions suggested by the government. I am speaking about the indexation of savings deposited at saving banks and the new taxation system aimed at encouraging labor productivity.

Unfortunately, we, too, make mistakes. But we are not ashamed to correct them. I hope for a better future.

[Alyakseychyk, BELINFORM] The State Statistics Committee has announced that the Belarusian economy has been experiencing a rise since August 1992. In November, the industrial output surpassed the corresponding figures of 1991. What do you think, have we left the hard times behind us?

[Shushkevich] Judging by the figures provided by the Statistics Committee, it might seem that not everything is so bad in our country. It was often done this way in the past. When one of the indices improved, it was shown for everyone to see; the other were not regarded.

In this case you are right. In November we had better results and the output increased. The growth was small, about 1.3 percent, but if we submit it to an in-depth analysis, the results will not be so optimistic. All the same I am satisfied with them. Please, note the decline was 10.8 per cent in September, 5.8 per cent in October, 14.2 per cent in the first half [as published]. So, not only has stabilization been achieved, but growth, too. These are very good results. We should not overestimate them, we should improve them. I am counting on the stability and growth of production. I am sure the government and the Supreme Soviet will do their best to improve the situation.

[A. Stalyarov, TELERADIO] What is your personal attitude towards the unpopular measures adopted in 1992? Raising prices of the basics....

[Shushkevich] I am often accused of advocating unpopular measures. I keep repeating the story about a surgeon who makes a patient suffer pain in order to save his life. Or is the one who gives pain killers better?

We cannot do without unpopular measures, the freezing of wages, stabilization of the financial situation, the reduction of consumption, because sometimes we consume more than we need.

When there is an understanding of the necessity of these steps, a good perspective, when people see that they are entering a dark tunnel from which there is an exit, it will bring more advantage than any "popular" measures aggravating the situation.

[U. Narkevich] The Russian Supreme Soviet has recently adopted a resolution on private land ownership. When will we have a similar resolution?

[Shushkevich] We have already had it. We have acknowledged the right to private land ownership. Another thing is that we have no mechanism to realize this right. The legislature adopted the law, envisioning different forms of land ownership—state, private, and collective. I asked many experts but nobody could tell me what the term "collective ownership" meant. In my opinion, there are only two types of ownership—state and private. Collective property is something composed of private patches of land.

Not all the people share my views. I think we do not need this artificial form of ownership. It is my conviction. When my adversaries say that it endangers the existence

of collective farms, I reply that it is a delusion, because even today there is no collective ownership. Collective farms exist and nobody is threatening them. I hope that during the coming debate on this issue, our legislature will introduce the necessary amendments.

[I. Makalovich, NARODNAYA GAZETA] I want to ask you about corruption. The public is concerned with this ugly phenomenon. What impedes the legislature's, government's, and prosecution's measures on eliminating it?

[Shushkevich] Nothing impedes us. We have taken this matter up. But the approach to it has also changed. In the past, a corrupt official could be easily "put in his place". Now we are building a legal state. If we decide without a trial who is right and who is wrong we will never build it. We should obey the law. We are dealing with highly skilled criminals; and we will need a highly professional legislature and prosecution, their close cooperation to fight organized crime. These results are never immediate. By the way, judging by the militia's operational information, things are getting better.

[Y. Alekseychyk] At the beginning of our conversation, you said that not everything depended on the Belarusian legislature and government. We do not live in isolation and the events occurring in the neighboring countries influence the situation in the Republic. First of all it concerns the events in Russia. We depend on Russian raw materials and on the Russian ruble. This dependence should be decreased but experts warn that playing the anti-Russian card might prove unwise....

[Shushkevich] First of all, talk about anti-Russian tendencies and approaches have nothing in common with the Supreme Soviet policy. We have no grounds for carrying this concept out. This would be inadmissible.

The government policy should not be identified with the policy and feelings of the people. Russians understand Belarusians, cherish friendly feelings towards our people; and let us not talk about this. I do not know any Belarusian who would call the Russian people bad. He can say this about a specific politician, about definite political structures or legislature factions. But the same things can be said about our legislature. When I say that not everything depends on us, you should not take me literally. In fact everything depends on us. But certain things can be solved neither today nor tomorrow. We should have a program. For example the program on sovereignty envisions the withdrawal of foreign troops from our territory. It cannot be carried out immediately, even though the program exists. We planned to do it in seven years, then changed it to five, now we are thinking of doing it in two and a half years.

Another thing. Our economy has been oriented mostly toward Russia. We can reorient it, but will it be worth doing? Cooperation with Russia is mutually advantageous, we should only prevent certain circles from dictating their conditions to us. The Russian people will never ban oil shipments to Belarus, but certain political forces can do it. We should modify our relations in such a way that money, not governments, regulate the economy. When our relations are established on this basis our dependence will be diminished. Putting it in a nutshell: I am rejecting all the allegations about our anti-Russian orientation. I do not know anyone in the legislature or the government who espouses these views.

[A. Stalyarov] You said that your political principle is to compromise. Is it difficult to follow it?

[Shushkevich] To tell you the truth, it is not easy to follow. Let us recall our past. We used to say that ideological compromises were inadmissible. Everything could be done to achieve certain goals.

Compromise should be obtained by means of rejecting one's own ambitions. At the same time it is hardly possible to reach an agreement on the basic issues. In this case, the scientific approach should prevail. Our main difficulty is this: we are going our own way, nobody has ever done it before. And we manage to compromise. I think this is due to the Belarusian national character. It is always better to wait a bit longer until all the people are convinced about the correctness of our suggestions than to force others into doing things our way. I think there is no alternative to compromise.

[I. Makalovich] However there are forces in our society that do not like this approach. I want to ask you a question about the referendum. Why did the deputies ban it?

[Shushkevich] This is not an easy question. As you know, during the voting I did not join the majority. I do not support the idea of the referendum, I think that it would have brought a lot of confusion. But the Supreme Soviet banned the referendum saying that "grave violations" of the law occurred during its preparation. I think that there were no violations, the law itself was imperfect. It permitted an illogical, unacceptable question to be posed. The law should be improved. I think we will arrive at the referendum issue. But it will be a referendum on basic problems concerning land or certain articles of the Constitution.

[I. Makalovich] You said that we should obey the law. Half a million citizens signed the referendum demand; but it was rejected. I think it is a violation of the law.... Now one can hear demands to hold early elections. Do you believe it will happen?

[Shushkevich] I want to answer your previous question first. Unfortunately, you are right. This is why I voted against it. The organizers of the referendum cannot be blamed for violating the law, they simply used its imperfection for their own political aims. The Supreme Soviet has adopted the resolution on early elections and I am sure it is going to carry it out. I will do what I can to ensure that the elections take place in April 1994, as planned. They cannot fail to be held.

[U. Narkevich] I would like to take up another sore problem—nuclear. There are advocates of building a

nuclear power plant in Belarus. Moreover, they suggest the Chernobyl zone for the construction site. On the other hand, certain people oppose the withdrawal of nuclear arms from the territory of Belarus. They say that the world will lose interest in a nuclear-free Belarus, halt the humanitarian aid, and will be reluctant to invest. How would you comment on this?

[Shushkevich] You have asked a lot of questions. First, I do not know anything about the construction of a nuclear power plant in the Chernobyl zone. Nuclear power production in general is quite another thing. Let me give you an example. Average North Koreans are about 10 centimeters taller then their southern neighbors, while South Koreans, in turn, are seven centimeters shorter than the Japanese, all due to differences in nutrition. To function normally, a man must get certain amounts of proteins and other ingredients. The proper living standard should be guaranteed by the state. Where shall we get energy? We cannot disregard nuclear power plants as a source of energy production. France, Belgium, or South Korea are going this way, although they have a much better energy situation than Belarus. It is not easy to speak about these things in Belarus, but we must do it.

With regard to nuclear arms I must say that we will not get other nations' respect due to our nuclear missiles. We have removed the tactical nuclear arms, and the people felt relieved. The same concerns strategic arms. To whom are we going to threaten or dictate our political conditions? Respect is not won this way, it is won by adhering to a consistent political course, and neither the Supreme Soviet nor the government can be blamed for its inconsistency.

[Y. Alyakseychyk] Social research shows that if elections were held today, the existing political parties would get only about 12 percent of votes. I think this is good for the legislature and the government.

[Shushkevich] You have provided exact figures. I am thinking about them. Almost 60 percent of Belarusians do not support any political party. Not long ago, almost nobody in Belarus believed in God, and this seemed natural, because such was the official guideline. Now, after its abolition, look how many believers we have! The point is that there are values elaborated in the long course of human meditations, with a solid philosophical background. The political parties have no strong foundation, no solid philosophical background. I will tell you why I am not joining any political movement. Social democratic views seem the most acceptable for me. But we have no classic social democracy, policy is determined by the authority of certain people. If such a person dies or gets sick, the whole movement might change its direction. These are not political movements, these are movements that are still being born. By the time of the elections different parties will have more supporters. So far the Communist Party of Belarus has the support of 3.9 percent of the electorate, the Belarusian Popular Front—3.8 percent, the influence of the other parties is much weaker.

[A. Stalyarov] Some people blame you for the destruction of the Soviet Union, saying that the CIS is an artificial invention. But my question is different: "What problems has Belarus managed to avoid by joining the CIS?"

[Shushkevich] Blaming other people is an old habit. We like to explain all our difficulties by the mistakes of those who were the first or whose approach was different from the traditional. The main question is: "Did the creation of the CIS destroy the Soviet Union or merely state the fact?" If we recall all the declarations on sovereignty it will become clear that the agreement on the creation of the CIS merely confirmed the already existing situation. The disintegration happened earlier and there was no way of keeping the Union in its previous shape. Did we have to call it a day or try to find other ways of cooperation? People were happy to learn that they were allowed to freely visit their relatives from other republics. Had it not been for the CIS, there would have been borders all around. There was a declaration stating that there were no borders for information and for citizens. There exists a common market, too. History has not seen a structure like the CIS before. It still is not strong enough, we have certain objections concerning its functioning. The people are right: it should be perfected. There also exists the idea of turning the CIS into a confederation. Not only Russia, but also Kazakhstan have put it forward. I think that at the current stage this does not suit us, it is too early for a confederation. But I am convinced that we should develop the CIS, have a common charter, create a real common market and currency.

I think that the CIS is a historic inevitability. There was no other solution, every other variant would have been worse. Currently the Inter-Parliamentary Assembly sessions are under way. They will determine the approach to the new integration. In my opinion, the shape of the CIS is subject to change; new states can join it as associate members. We talked about this during our visit to Moldova. We agreed that they will participate in the Minsk summit notwithstanding the complicated domestic situation. They are striving for it and this cannot be neglected. Talks about "big and small brothers" make no sense. We have had a common history and we must use it.

[U. Narkevich] The situation of our national culture and especially the Belarusian language evokes the concern of many ZVYAZDA readers, especially now, when there are attempts to grant Russian the status of a national language. Do you think the national culture and language will be able to survive?

[Shushkevich] Our culture has seen much worse times. I am ashamed that certain students and lecturers at higher educational institutions are reluctant to learn and speak their national language. We are not going to discard the Russian language as a means of international communication. But it is Belarusian that will be the national language. I do not think that the CIS is an obstacle to

this. All the CIS documents acknowledge respect for national languages. We are using Russian in CIS organs, and it is logical.

[A. Stalyarov] What has brought you the biggest joy in 1992?

[Shushkevich] I am proud of the changes in the mentality and consciousness of the Belarusian people that have taken place during 1992. Under such conditions, the legislature and the government will be able to carry out their policy. Let us unite, let us show what Belarusians can accomplish.

Shushkevich Leads Delegation to Economic Forum in Davos

WS2801134093 Minsk BELINFORM in Russian 1141 GMT 27 Jan 93

[Text] Today, a Belarusian delegation headed by Supreme Council Chairman Stanislav Shushkevich left for the Swiss town of Davos to take part in the World Economic Forum to be held between 28 January and 1 February. The delegation includes Mikhail Myasnikovich, first deputy chairman of the Council of Ministers, and Foreign Minister Petr Kravchenko.

Petr Kravchenko noted before the departure: "We hope to exchange opinions, information, and ideas on the most urgent problems of international economic cooperation. We are primarily orientated toward the Commonwealth of Independent States as a form of economic interaction. Belarus speaks out for an integral economic, energetic, and transport space on the CIS territory, based on the principles of a modern regulated market."

The minister went on to say: "We forecast that there will be two main geopolitical and economic units in Europe by 2005—the European Economic Community that will probably unite 16 states by 1996 and the East European Economic Community which means the Commonwealth of Independent States. After the East European countries integrate in the "Common Market," the two economic structures will gradually begin drawing closer. There is a chance that this process will be over by 2000. It is only then that the idea of a common European home will acquire definite outlines. Only then will its basic principle—free movement of ideas, people, capital, and services— be fully implemented."

P. Kravchenko stated: "Within the context of such a development, Belarus and its capital Minsk are ready today to assume the functions of 'Eastern Brussels' and to be a connective link, alongside with other East European countries, between the East and the West."

Davos will become a place for unofficial meetings among politicians, social workers, and businessmen of different countries during the forum. For example, the head of the Belarusian delegation is planning several bilateral meetings, particularly with Swiss President Adolf Ogi, Bulgarian President Zhelyu Zhelev, and a number of European prime ministers, state officials, and politicians.

Moldova

Parliament Chairman Mosanu, Others Resign

AU2901124693 Bucharest Radio Romania Network in Romanian 1100 GMT 29 Jan 93

[Text] Mr. Alexandru Mosanu, parliament chairman of the Republic of Moldova, resigned today. At the same time, Mr. Ion Hadirca, first vice chairman of the parliament; Mr. Vasile Nedelciuc, chairman of the parliamentary commission for foreign relations; and Mr. Valeriu Matei, chairman of the parliamentary commission for information and public affairs also announced their resignation.

In a communique read this morning on Chisinau radio by Mr. Nedelciuc, the four figures pointed out that their decision was taken because developments in the Republic of Moldova have taken a critical turn.

The communique also highlights the fact that after President Mircea Snegur's 24 December 1992 statement, forces of the former totalitarian regime have become active again.

The document mentions the fact that the parliamentary groups Viata Satului [Village Life], Independenti [Independents], and Conciliere [Reconciliation] carried out actions that disrupted the work of parliament. These groups issued a declaration yesterday in which they threatened to resign if the bill regarding early general elections is not going to be discussed in parliament.

Our correspondent reports that the four figures who signed today's communique are currently holding a news conference. In his introductory statement Mr. Alexandru Mosanu discussed the statement issued yesterday by the three parliamentary groups, assessing that their threat to withdraw from parliament was a nondemocratic method. Regarding his personal position with respect to Moldova's reunification with Romania, Mr. Mosanu said he had promoted a realistic policy, being aware of the fact that currently there are two Romanian states, and of the allegations that he wants reunification to be done immediately.

Mosanu Opposes Snegur on Referendum

PM2801150193 Moscow ROSSIYSKAYA GAZETA in Russian 28 Jan 93 First Edition p 7

[Lyudmila Feliksova report: "Switched to Opposition"]

[Text] Chisinau—Parliament's Chairman A. Mosanu has thrown down the gauntlet to President Mircea Snegur, who has called for a nationwide referendum on unification with Romania. Speaking on national radio, he blamed the president for the fact that disagreements have once again become exacerbated in the republic and the atmosphere has become heated.

Mosanu held the "separatists" and those who offer them external support entirely to blame for the conflict in the Dniester Region. "We clashed with a force with formidable experience of sweeping aside absolutely everyone in its path," he said. "So we could not hold out."

From the speaker's viewpoint, it was necessary to mobilize all resources—both material and spiritual—and not take a pacifist stand, which supposedly resulted in large casualties and demoralized the population. The Republic cannot pursue an independent economic policy because of dependence on Russia. Mosanu spoke out sharply against the idea of a referendum, which, in his opinion, will be "a bone of contention thrown into parliament and society."

"Two lines have now clashed: Either we preserve our independence and state integrity while relying on Romania, or we turn our back on it and hold a referendum on not uniting with brothers. Readiness to rely on those who have occupied part of our territory," Mosanu continued, "means 'fraternizing' with Smirnov and Marakutsa. Ratifying the treaty on CIS membership means rejoining the empire and putting a yoke around our neck with our own hand."

This is probably the first time the chairman of the Moldovan parliament has declared a switch to opposition to the president and the government. Meanwhile, recent sociological polls have shown that Mosanu's views are shared by very few people in Moldova. President Snegur has the highest rating, and the government's is exponentially lower [na tri poryadka nizhe], while parliament is trusted by just 8 percent of those polled.

Parliament Deputies Ready To 'Give Up' Power

OW2801173393 Moscow INTERFAX in English 1713 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] 168 parliamentarians, or more than half the deputy corps, declared their readiness to take an extreme measure and give up their deputy powers. In doing so they are attempting to get the parliamentary leadership to conduct early parliamentary elections on May 28, 1993, "in new judicial, democratic conditions."

Representatives of the agrarian and independent factions and the Soglasiye ("Harmony") group announced they "were forced to resort to such a drastic measure by the deteriorating, crisis situation in parliament, when for an entire month the Christian Democratic National Front, with the support of Parliamentary Speaker Alexandru Mosanu and his first deputy, Ion Hadirca, have blocked proposals from the parliamentary majority to conduct a referendum on basic articles of the constitution which confirm the independence of the Republic of Moldova."

The parliamentary majority feels that "supporters of the Christian Democratic National Front [CDNF] are trying to make the chaos in society even worse, with the aim of forcing society to accept the idea that Moldova's unification with Rumania is inevitable."

Meanwhile, Chairman of the CDNF's Executive Committee Yuriy Roshka, in an interview with the parliamentary journal "Sfatul Tseriy" ("Council of the Country"), refuted criticisms from the parliamentary majority, saying they were "trying to force a referendum on the people."

He stressed that "lately conservative forces from the old party nomenklatura and pro-Russian powers have become active, aggressively trying to pull Moldova into the CIS and form a judicial mechanism to hinder the unification of Moldova and Romania."

Roshka said the statement Mircea Snegur made before the new year on the need to discuss the issue with the nation and put an end to the rumors of unification with Romania could re-aggravate of the situation in Moldova's conflict zones.

Deputies Boycott, Demand Elections

LD2801220993 Moscow ITAR-TASS in English 2132 GMT 28 Jan 93

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[Text] Chisinau January 28 TASS—The majority of Moldovan parliamentarians have walked out and demanded holding new elections in May, 1993. An appeal made by 3 out of 5 parliamentary factions published on Thursday [28 January] says that deputies would return to parliament only to discuss a law on new elections.

The parliament majority believes that the parliament has come to a deadlock and is incapable of making a choice—whether Moldova will be an independent state or whether a province of another country.

In their opinion, two tendencies have distinctly emerged in Moldova. The Moldovan President Mircea Snegur, the government and the majority of deputies are calling for independence, while the minority of deputies, backed by the majority of the parliament's presidium and the parliamentary speaker, are demanding reunification with Romania.

The supporters of the reunification took advantage of the absence of deputies from the Dniester region and Gagauz to block a resolution on a referendum on the republic's independence, suggested by the majority of deputies.

The Moldovan parliament has deprived its people of the right to decide its own fate by means of a referendum on the pretext that "it is not educated well enough and poorly prepared for the referendum," the statement said.

At the same time supporters of the reunification who are controlling the mass media have launched a campaign against the Moldovan statehood, delaying by all means the discussion of an issue on granting a status to the Dniester region and Gagauz.

They come out against the maintenance of ties with former Soviet republics, encourage the split of the church provoking more conflicts between people. "This

cannot go on any more—the dispute between supporters and opponents of Moldova's independence should be resolved by the people," says the appeal signed by 168 people's deputies.

Snegur Would Be 'Sole Power'

AU2901120493 Bucharest ROMPRES in English 0951 GMT 29 Jan 93

[Text] Bucharest ROMPRES, 29/1/1993—The factions in Moldova's Parliament favoring a referendum suggested by President Mircea Snegur regarding the union with Romania, intend to retreat from the legislative forum. Those factions were defeated in Moldova's Parliament and their proposition for a referendum had been rejected.

According to a Chisinau dispatch run by the Bucharest daily ADEVARUL, the intention of the factions to give up the mandate is nothing but "a self-dissolution of parliament, the presidential power being in this situation the sole power in the state."

'Basic Principles' Approved for Transdniester Settlement

OW2801202793 Moscow INTERFAX in English 1939 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] During the latest round of negotiations in Bendery representatives of Moldova and Transdniester approved in the first reading the basic principles for settling the conflict in the Transdniester region.

In an exclusive interview with an Interfax correspondent Nikolae Kirtoake, state advisor to the Moldovan president, said that one of the principles is the recognition of distinctive features of the formation of regions. So far, however, this thesis has not been finally formulated. It will dictate what kind of status the Transdniester region receives in the Republic of Moldova, said the state advisor.

"Mainly, we agreed that the Transdniester region is a part of the Republic of Moldova," said Kirtoake. "We reached a general consensus that Transdniester has its distinct features in comparison with other regions of the republic. Therefore, it should be given special status, but not at the expense of the republic's territorial integrity and sovereignty." The next round of negotiations will begin Monday [1 February].

Dniester Official on Talks

LD2801213793 Moscow Mayak Radio Network in Russian 1800 GMT 28 Jan 93

[Text] Another session of the bilateral commission for the political settlement of the conflict in the Dniester region was held in Bendery today. Valeriy Litskay, a member of the commission from the Dniester side and state secretary of the Dniester Moldavian Republic, has told an (?RIA) correspondent in an interview that the session was devoted to agreeing on the basic principles of the future agreement. These principles include the recognition of the common (?border) and the common economic, financial, and informational space of the special status of the Dniester region, whose status is to be defined in the course of negotiations, and of the Dniester region people's right to self-determination; as well as eliminating the possibility of the use, or the threat to use, force.

Deputy Chairman on 'Totalitarian' Regime in Dniester

OW2801214293 Moscow INTERFAX in English 1939 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] Today Moldova is experiencing enormous difficulties to implement legal reform which are caused primarily "by the threat to republic's territorial integrity on the part of those who want to return republic to its totalitarian past." This statement was voiced by deputy speaker of the Moldovan parliament, Victor Puscasu, at an international scientific-practical conference "Juridical legal reform in the Republic of Moldova" held in Chisinau. Representatives of 18 countries have gathered at the conference.

In Puscasu's opinion, "a militarist-totalitarian regime has established in transdniesteria which is supported by bayonets of the 14th Russian Army." He expressed the hope that participants of the conference will demonstrate their attitude towards this fact.

Kazakhstan

President Hails Adoption of New Constitution

LD2801173693 Alma-Ata Kazakh Radio Network in Russian 1500 GMT 28 Jan 93

[Excerpts] On 28 January the parliament completed its work on discussing and adopting the first Constitution of the sovereign republic of Kazakhstan. [passage omitted]

The vote was taken on adopting the Constitution as a whole. Of 313 MPs, 309 voted for the proposal. The historic moment of the birth of the fundmental law of the state was greeted by the deputies with an ovation. Henceforth 28 January is declared Constitution Day, a nonworking holiday. A festive sitting of parliament was held, devoted to this noteworthy event in the country's life. The introductory speech was made by [Speaker] Serikbolsyn Abdildin.

The state anthem of the republic was played. The head of parliament handed President Nursultan Nazarbayev the original of the text of the new fundamental law of Kazakhstan, and gave him the floor.

At this time, said the head of state, a truly historic act has been carried out. The first Constitution of the Republic of Kazakhstan has been adopted. Having congratulated all people of Kazakhstan on this really noteworthy event for the republic and all its citizens, he stressed that thereby a start has been made for the foundation of a legal basis for establishing statehood and moving to a qualitatively new stage of ensuring national security and independence. This also provides a real guarantee for civil rights and liberties, and for the practical implementation of effective designs for building a democratic society and a law-governed state.

The president expressed gratitude and thankfulness to the people's deputies, the law specialists, the foreign friends and people of Kazakhstan, all of whom actively participated in the creation of the new Constitution of the republic. An immense and most complex job that lasted over two years, has been completed, Nursultan Nazarbayev continued. The adoption of the Constitution undoubtedly also strengthens the position of Kazakhstan on the international scene. In this connection it should be noted that during the preparation of the draft the generally accepted principles of international law in the area of state construction and human rights and liberties were fully taken into consideration.

The Republic of Kazakhstan, the president went on to say, has only started on the path of building a law-governed state, a path along which we have yet to go, for decades, perhaps. We must concentrate our attention and efforts on building a legislative base for such a society. We must display constant concern for raising the quality of laws being passed. One of our most important tasks is to confirm and implement the principle of the direct action and supremacy of the Constitution over all other laws. We must understand clearly, said Nursultan Nazarbayev, that changes in the economy, in social relationships, in the psychology of the people sooner or later will lead to the need to improve constitutional norms. This is a natural process. The fundamental law is a sort of mirror of our life, our common problems, and surely they cannot be solved all at once. That is why after a certain period we will have to return to making some constitutional norms more precise, as will befit the time.

The fundamental law adopted, continued the president, creates unique possibilities for bringing together all nations and ethnic groups living in Kazakhstan, all its citizens. It reflects the realities of life, the views of actual people, their understanding of the law-making process. So it is the people of Kazakhstan who can boldly be described as the creator of the fundamental law. [passage omitted]

More on New Constitution

LD2801142893 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1200 GMT 28 Jan 93

[By correspondent Baimbetov; from the "Novosti" newscast—broadcast in progress]

[Text] ... not only every article, but every word in the new Kazakhstan Constitution. The draft constitution has been on the agenda at several sessions and has been submitted for discussion by the entire people. Many foreign experts, as well as the Constitutional Commission, have worked on it. Finally, today, 28 January 1993, became a significant date for Kazakhstan, the birthday of the new Constitution of a sovereign, democratic, and unitary state. It contains more than 140 articles. Let me specify some of them: the Constitution declares Kazakh to be the state language. Russian, as a common language, has equal status with Kazakh. Every condition is being created to enable the languages of other nationalities and ethnic groups in the republic to develop freely. The president, who is the head of state and heads an integrated system of executive power, is elected for five years. He must be perfectly fluent in the state language. The only supreme legislative body is the Supreme Soviet. The Constitution confirms the existence in the republic of both a Supreme Court and a Constitutional Court. The republic has its own armed forces for the defense of its sovereignty and territorial integrity.

Nazarbayev Speech to Supreme Soviet Viewed

PM2801153793 Moscow ROSSIYSKAYA GAZETA in Russian 28 Jan 93 First Edition p 7

[Sergey Skorokhodov report: "Nursultan Nazarbayev Selects New Team"]

[Text] Alma-Ata—President Nursultan Nazarbayev has addressed a session of the Kazakhstan Supreme Soviet. His report, devoted to the government's anticrisis program, ended with a proposal to reshuffle the Cabinet of Ministers. This is the first time the team with which he has worked for almost three years has undergone such

large-scale changes: Three new deputy prime ministers, four ministers, and one state committee head have appeared in its composition at once.

"Obviously, the foundations of a new team are being laid," Yermukhamet Yertysbayev, deputy chairman of the Supreme Soviet Human Rights Committee, commented, "and this can only be welcomed. The president, having won not in a multiparty election, has not created a ruling party which would form the government. A responsible government can arise only in that case. Therefore he is carrying out a reshuffle, which is his right. But the fact that the entire upper echelon of the executive power was reconfirmed at the session within just 30 minutes is a consequence of the lack of a multiparty system in Kazakhstan. In civilized countries the party which won the election is answerable for failures in the economy—the team, not one or two officials. 'Appointees' cannot be responsible for someone else's program. Therefore, figuratively speaking, there is still an irresponsible government in Kazakhstan."

Now, on the eve of adopting the new constitution, certain forces in the president's entourage want to remove from the draft the very concept of political pluralism and even the mention of a multiparty system, Yertysbayev said in conclusion.

Local observers point out that, in his speech at the session, the president let it be understood quite firmly that it is not the radical breaking of managerial structures but their phased reforming that is far closer to him, that Kazakhstan's economy will be a semimarket one for a long time to come, and that indicative planning, as well as planning in general, is certainly not contraindicated even for capitalism.

The president came out unequivocally in favor of ending the dyarchy in the provinces, laying down clear principles for separating the powers of the representative power and the executive in the constitution and declaring that an official in state service must worry only about his own business and not over where and how he is to get money. The president urged parliament to adopt a law on state service and promised to introduce a whole system of "legal social privileges." Taking into account the fact that the wages of state officials were already increased 300-400 percent last December, there need be no doubt that a shortage of cadres in managerial structures is not foreseen. Particularly as the minimum wage in the republic is already nine times lower than the minimum wage of a state official.

Kyrgyzstan

Head of Iranian Foreign Ministry Cancels Visit to Bishkek

OW2801155893 Moscow INTERFAX in English 1438 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] The Iranian Minister of Foreign Affairs, 'Ali Akbar Velayati, has cancelled his visit to Bishkek which was scheduled for late January, for the reason that Kyrgyzstan announced its intention to open its embassy in Jerusalem. A note to that effect has been sent by Tehran to the Kyrgyz MFA.

A spokesman for the Iranian Embassy in Bishkek told Interfax correspondent that this decision was related to the negative attitude of the Iranian leaders to the recent visit by the Kyrgyz state delegation to Israel when they announced that Kyrgyzstan was going to open its embassy in Jerusalem rather than in Tel Aviv.

Kyrghyz parliamentary circles assess this statement as a political mistake, some of the parliamentarians insisting that this issue be urgently addressed by the parliamentary standing foreign affairs committee after which it would be discussed at the session of the republic's Supreme Council.

The chairman of the parliamentary supervising commission, Kubanychbek Idinov, told Interfax that the mistake ought to be corrected. In his words, this statement "has caught the fire of criticism of Kyrgyz public opinion" and it may lead to a complete failure of the country's foreign political activities if Kyrgyzstan finds itself isolated from the Arab and Muslim world.

Akayev To Take Tough Measures To Combat Crime

LD2801134593 Moscow ITAR-TASS in English 1322 GMT 28 Jan 93

[By KYRGYZKABAR-TASS correspondent Albert Bogdanov]

[Text] Bishkek January 28 TASS—"We are heading towards a catastrophe. Lawlessness and carelessness are rife at all levels of government. Crime has overwhelmed the towns and villages of the republic. People are gripped by fear. Officials of some ministries and departments have not heeded the voice of conscience and have embarked upon the road of outright venality, believing that they could grow rich on the state's collapse. If we fail to stop all this, a social upheaval will become inevitable. We have no time to waste. We must take the toughest measures against all this," Kyrgyz President Askar Akayev told a meeting of officials from the Republican Procurator's Office, the National Security Committee and the Interior Ministry here today.

A statement by the presidential press service, prepared for the mass media today, says that humanitarian aid was being squandered, while law enforcement bodies were unable to protect even diplomatic missions and diplomats from the criminals, which may pave the way for terrorism and extremism.

The presidential press service notes that "we have not erred when we opted for the current reforms, but they are marking time due to the opposition of corrupt officials,

due to their unwillingness to work. The time of persuasions and admonitions is over. Circumstances compel us to take tough measures."

The Kyrgyz president, as reported by his press service, is ready to vest the law-enforcement bodies with additional rights in order to prevent the republic's bankruptcy, the squandering of national wealth, to rid the people of fear, to give them food and warmth.

Tajikistan

State of Emergency Imposed on Afghan Border

LD2901132893 Moscow ITAR-TASS in English 1213 GMT 29 Jan 93

[Text] Dushanbe January 29 TASS—A state of emergency will be imposed on the whole of the Tajik-Afghan border, starting from 00.00 hours of January 30, says a decree of the Tajik Parliament.

According to the decree circulated here, this step has been taken for the purpose of improving the protection of the state border, bringing back to normal as soon as possible the situation in the areas, restoring law and order there, ensuring the safety of people, handling the return of Tajik refugees now staying on Afghan territory and confiscating weapons from the illegal armed units in the border areas of the republic.

The activities of political parties and movements, the holding of meetings, demonstrations strikes and other political actions may be suspended for the period while the state of emergency is in effect in the border areas, if they hamper the stabilisation of the situation, the decree said.

The republican leadership appealed to the command of the Russian frontier guard troops in Tajikistan to ensure the maximum participation of Russian frontier guard troops in the maintenance of the state of emergency regime in the border area and other areas where frontier guard detachments are deployed.

Supreme Soviet Presidium Appoints Officials

LD2901094193 Dushanbe Radio Dushanbe Network in Tajik 0500 GMT 29 Jan 93

[Text] Supreme Soviet Chairman Imamali Rakhmonov chaired a regular session of the Supreme Soviet Presidium yesterday. The session examined the issue of cadres. (Shodiyev) was appointed first deputy procurator general, and Boboyev and Jabbarov were appointed deputies to the procurator general. The session also discussed a number of other important issues in the life of the republic. Abdulladzhonov, chairman of the Council of Ministers, also attended the session of the Supreme Soviet Presidium.

Refugees Return Despite People's Front 'Repressions'

LD2901111593 Moscow ITAR-TASS in English 1020 GMT 29 Jan 93

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe January 29 TASS—"Around 70,000 refugees from Tajik Khatlon Region have already returned to their places of permanent residence," Sangak Sapfarov, chairman of the Tajik People's Front, told representatives of the U.N. Supreme Commissariat for Refugee Affairs, who have arrived in Kurgan-Tyube.

The Tajik People's Front is an influential political force which is keeping the situation in the south of Tajikistan under control and supporting the present Tajik Government.

Sapfarov said that all those returning home receive all kinds of support. However, he mentioned that in a number of incidents representatives of the People's Front suggest that refugees settle in other places of the same region so as to avoid more clashes between former neighbours who were on opposite sides during the ethnic conflict. Resettlers are rendered assistance as they begin the construction of their new homes.

Sapfarov said that all incidents of refugee persecution would be investigated and those to blame would be brought to justice in keeping with Tajik laws.

At present the majority of refugees from Khatlon Region, totalling nearly 130,000, are concentrated in Dushanbe. Many of the refugees refrain from returning home for fear of repressions on the part of the People's Front.

Government Faces Uphill Task of Rebuilding Economy

LD2801182493 Moscow ITAR-TASS in English 1618 GMT 28 Jan 93

[By TIA "KHOVAR"-TASS correspondent]

[Text] Dushanbe January 28 TASS—Tajikistan is making efforts to bring out its national economy from a crisis in which it happen to fall as a result of civil war.

Intergovernmental agreements signed in January between Kazakhstan, Uzbekistan, Turkmenistan and Belarus are aimed at this purpose only.

Ismail Davlatov, minister of economy of the republic, told today "KHOVAR" news agency that the fratricidal war of 1992 caused a huge economic loss to the republic. Plans to produce all the main kinds of industrial produce turned out to be unrealizable, and on the whole the volume of production dropped by more than 24 per cent. Production of consumer goods had to be cut down by almost one-third. Due to shortage of production of plant-growing the losses constituted eleven hundred billion rubles.

In the current fiscal year, according to Ismail Davlatov, an emergency programme to revive the economy and the restoration of the ruined national economy of the Khatlo region was proposed.

Many countries of the CIS have granted Tajikistan the most favoured nation status and allocated to the republic large technical credits.

*Opposition Leaders in Hiding; Form Anti-Communist Front

93US0288A London AL-SHARQ AL-AWSAT in Arabic 11 Jan 93 p 7

[Unattributed article: "Anti-Communist Forces Reportedly Form Front"]

[Text] Dushanbe, London, AL-SHARQ AL-AWSAT—The anti-Communist parties in Tajikistan have decided to form a unified front to combat what they call the "Russian dominion" over their republic.

Sources inside the Tajik democratic movement said yesterday that 17 groups had agreed to the decision. The agreement was made in a meeting "held somewhere in the southern part of the country." Mehrban Yaveri, the spokesman for the opposition, said that "what happened in Dushanbe last week was a coup which the crypto-Communists and those loyal to Russia carried out." He added, "The truth is that Moscow wants to retain Tajikistan as a colony and to use the Communists as agents for Moscow." Yaveri disclosed that the leader of the opposition, Albarz Shodmon Yusuf, will travel soon to a number of important world capitals to win support for what he described as "the national resistance movement in our country."

It is known that Yusuf, head of the Democratic Party, is in hiding with nine religious and secular leaders somewhere inside the country. The authorities have launched a widespread investigation fo find him and Davlat Usmon, the former deputy premier, and Ali Akbar Turajonzoda, one of the leaders of the Islamic Revival Party (Rastokhez) [as published]. Within a period of nearly six months of fighting between the former communists and their opponents, about 40,000 people have been killed and about 100,000 others made homeless. There are tens of thousands of Tajiks isolated in the icebound heights of the Badakhshan region facing death by starvation. A state of emergency was announced last week. A force estimated at 50,000 men is enforcing the state of emergency, half of them from the neighboring Republic of Uzbekistan, which has announced that it will never permit the democratic and Islamic groups to come to power in Dushanbe. There are also 3,500 Russian officers and men concentrated mainly in the capital and around the important industrial centers.

Uzbekistan

U.S. Envoy Discusses Aid to Tajikistan With Karimov

LD2801215493 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1500 GMT 28 Jan 93

[Report by correspondent Shakhnoza Ganiyeva; from the "Novosti" newscast]

[Text] The U.S. Government has allocated $31 million for humanitarian aid to Tajikistan. This was stated by Mr. Escudero, the special envoy of the U.S. secretary of state and the head of the mission for rendering humanitarian aid to Tajikistan, at a meeting with President Islam Karimov in Tashkent last night. His arrival in Uzbekistan—the state adjacent to Tajikistan—is connected with the beginning of a large-scale operation for rendering specific and real aid to the suffering people who have lived through all the burdens of the fratricidal civil war.

Problems relating to the transport and delivery of the humanitarian cargo to its destination and the opening of the U.S. office of this mission in Central Asia were discussed at the talks. President Karimov expressed readiness to join efforts to speed up this peace-making process as the famine, destruction, and local epidemics, which have already taken place in the south of Tajikistan, may lead to unpredictable and more cruel consequences and to a new aggravation of the situation in this region.

Customs Chairman on Toughening Customs Controls

LD2801194693 Tashkent UZBEKISTAN APN in Russian 1200 GMT 26 Jan 93

[Text] Over the past few months, the State Customs Committee of the Republic of Kazakhstan has toughened up its control of economic operations, especially with partners from neighboring states.

"The thing is that, under the guise of barter deals, tens of thousands of tonnes of cotton fibre, non-ferrous metals, and chemical fertilizers have been going abroad," said Uraimzhon Abdughaniyev, chairman of the State Customs Committee of the Republic of Uzbekistan.

"Our main aim is to help Uzbekistan, which has stepped out on the path of independence, to become strong economically as quickly as possible and to stabilize foreign economic ties, not only with non-former Union countries, but also with the former republics of the USSR. Suffice it to say that, through the efforts of the staff of the Customs Committee, goods to the value of hundreds of millions of rubles have been prevented from being taken out."

Armenia

President Seeks International Pressure on Azerbaijan

NC2801205593 Yerevan Radio Yerevan International Service in Armenian 1630 GMT 28 Jan 93

[Text] Armenian President Levon Ter-Petrosyan has sent messages to the UN secretary general, the president of the UN Security Council, and leaders of the CIS and G-7 countries in connection with the disastrous situation in Armenia.

The message said: The gas pipeline entering Armenia via the Azerbaijani-inhabited region in Georgia was blown up on 23 January. With that, Armenia's last source of energy was destroyed; a bitter winter has come and we are under a universal blockade. This criminal act caps the chain of moves to which Azerbaijan resorts to economically suffocate Armenia and create unbearable living conditions. Such acts and their logical development and probable consequences are creating a situation fraught with grave danger both for our state and the entire region.

The Armenian president provided details on the current situation in Armenia and the paralysis in the life-support system, which is having a particularly destructive effect on the less protected strata of society: children, the elderly, refugees, and residents in the earthquake disaster zone.

It is obvious that Armenia's vital national interests are at stake. The Armenian leadership, in fulfilling its duties before the people, will do everything possible to extricate the republic from the current crisis. At the same time, the message notes, we are hopeful that with your assistance and by employing our basic policy- principles of resolving conflicts through peaceful means, it will be possible to jointly forestall the development of events fraught with destructive results for the region.

The president asked the leaders to provide the necessary assistance to Armenia commensurate with the current extraordinary situation, to join the Armenian leadership's efforts to break the all-encompassing blockade, and to use all the means (?available) to them to persuade the Azerbaijani Government to end its policies, blockades, attempts to drag Georgia and other countries into taking similar actions; in short, to the policy which makes an open and large-scale war between the two countries (?unavoidable).

Prime Minister Appeals to EC

PM2901124593 Moscow IZVESTIYA in Russian 28 Jan 93 p 1

[Sergey Bablumyan report under the rubric "From Our Correspondents and News Agencies": "Armenia Appeals to EC for Aid"]

[Text] Yerevan—Armenian Prime Minister Khosrov Arutyunyan has appealed to the leaders of EC countries requesting that Armenia be granted urgent humanitarian aid. The appeal concerns deliveries to the republic of kerosene stoves and pressurized kerosene stoves for 150,000 families with children under the age of three. There is a simultaneous request to look into the possibility of delivering an essential amount of liquid fuel to the republic.

Prime Minister: Power Situation 'Under Control'

NC2801202493 Yerevan Radio Yerevan International Service in Armenian 1630 GMT 28 Jan 93

[Text] The Armenian Supreme Soviet convened today in Yerevan in an extraordinary session to consider the socioeconomic development plan and the state budget for 1993.

Speaking at the session, Prime Minister Khosrov Arutyunyan briefed the deputies on the republic's current situation following the explosion that damaged the gas pipeline entering Armenia via Azerbaijani-inhabited Marneulskiy Rayon in Georgia.

The prime minister noted that although the power situation is critical, the situation is under control. He said that the government is doing everything it can to extricate the republic from the grave situation.

The prime minister said he hopes the Armenian and Georgian pipeline workers will repair the 500-mm temporary pipeline by Saturday. That will ensure a minimum amount of gas supply to Armenia.

Arutyunyan noted that in addition to the meager amount of power generated by Armenian hydroelectric plants, the republic has been receiving 30 megawatts of power from Georgia as of yesterday.

The Armenian Supreme Soviet's extraordinary session is continuing its deliberations.

Industry Ministry: Production at 'Complete Standstill'

NC2801180093 Yerevan Armenia's Radio First Program Network in Armenian 1300 GMT 28 Jan 93

[Text] The Armenian Industry Ministry Press Service informed our correspondent that the republic's industrial complex has come to a complete standstill. Not even the military-related enterprises are working. The entire economy and the industrial sector are impatiently waiting for the opening of the temporary gas pipeline, which will enable some vital enterprises to operate at reduced capacity. However, for the time being, energy is only being provided to Nayirit Scientific-Production Association.

Government, Karabakh Negotiators Leave for Ankara

OW2801175893 Moscow INTERFAX in English 1716 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] Zhirair Liparityan, Armenian presidential advisor for political analysis, and David Shakhnazaryan, Armenian presidential plenipotentiary representative for Nagorno-Karabakh, left on Thursday [28 January] for Ankara.

Interfax was told at the Armenian president's press service that the two representatives plan to hold negotiations with Turkish Premier Suleyman Demirel on further Turkish grain and electricity deliveries to Armenia and to discuss the possibility of a peaceful settlement of the Karabakh conflict within the framework of the CSCE.

As of today, reports the press service, 85 trainloads of grain have reached Armenia from Georgia and Turkey, a total of 5,000 tons. An official at the press service added that enough grain has been stored in the republic to allow it to survive the winter relatively painlessly.

Azeri Fire at Border Troops Considered Provocation

OW2801181493 Moscow INTERFAX in English 1716 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] Armenian Defense Minister Vazgen Manukyan discussed issues of guarding Armenia's state borders with Iran and Turkey in Yerevan Wednesday [27 January] with representatives of Russian border troops, the press service of the Armenian Department of Defense told Interfax. Russian border troops are currently guarding the border.

It was stressed during the talks that several Russian border detachments in Armenia's Megri region are periodically fired upon by Azerbaijanis. The Russian representatives emphasized that from now on any such aggression from Azerbaijan in these areas will be viewed as provocation against Russian border troops.

Government, CSCE Share Views on Settlement in Karabakh

OW2801175793 Moscow INTERFAX in English 1716 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] Ruben Shugaryan, press secretary of the Armenian president, declared that the republic and the CSCE adhere common positions and would like to divide issues concerning [a] truce in the Armenian-Azeri conflict zone and the status of Nagorno-Karabakh. He also pointed out that according to Nagorno-Karabakh, Armenia, and CSCE member countries, [a] truce should be established without any preliminary provisions. In his interview with Interfax Shugaryan made comments on the results of the visit of Mario Raffaelli, the chairman of the Minsk conference on Nagorno-Karabakh, to Transcaucasus. Raffaelli visited Baku and Yerevan.

According to the press secretary, Raffaelli reported to Levon Ter- Petrosyan, the Armenian President, about a preliminary provision of Azerbaijan which should be fulfilled before the negotiations. This provision envisages the return of the Lachin region along which the corridor connecting Nagorno-Karabakh with Armenia is laid. The President noted that in this case Nagorno-Karabakh and Armenia will put forward a provision to return the Mardakert and Shaumyan regions of the Nagorno-Karabakh Republic.

Shugaryan reported that a meeting of a group to prepare the Minsk conference on Nagorno-Karabakh is due to be held shortly. The meeting is supposed to discuss issues concerning Nagorno-Karabakh.

Azerbaijan

Minister Reports Program To Settle Armenian Conflict

LD2801233093 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 2100 GMT 28 Jan 93

[From the "Novosti" newscast]

[Text] A program has been drawn up for a peaceful settlement of the Armenian-Azerbaijani conflict, Azerbaijani Foreign Minister Tofik Gasymov has reported to the RIA agency. It envisages the cessation of military activities within 120 days, the withdrawal of Armenian subunits from Lachin, and the setting up of international observation posts. The program will be discussed in Rome in February.

President To Submit Bill on Elections 'In Near Future'

OW2801181793 Moscow INTERFAX in English 1716 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] In the near future President Abulfaz Elchibey will submit a bill on parliamentary elections in the republic for consideration by parliament. Advisor to the president on legal issues Gulamrusein Aliyev told Interfax that work on the bill has already been completed.

According to Aliyev, the bill proposes that the Milli Majlis (parliament) consist of 121 deputies. 61 will be elected through a majority electoral system in single-mandate districts, and 60 will be elected through a proportional electoral system in multiple-mandate districts according to party lists. Citizens 18 years of age or older will have the right to vote in the elections, and citizens 23 years of age or older will have the right to become candidates.

Chairman of the Azerbaijani Parliament Isa Kamberov stated in an interview with Interfax that "for a country undergoing aggression, holding any elections is an impermissible luxury." However, if "society and the political powers as a whole reach the conclusion that new elections

are needed this year," Kamberov said he would "help to see that their decision is realized as quickly as possible."

Bilateral Meetings Held With CIS Leaders in Minsk

NC2801152193 Baku ASSA-IRADA in English 0708 GMT 27 Jan 93

[Text] Baku, 27 Jan (ASSA-IRADA)—The most considerable result of [the] journey of [the] Azerbaijan delegation to Minsk for [the] meeting of CIS leaders became, in my opinion, [a] series of intensive bilateral negotiations nearly with all leaders of the states of CIS and achievement of practical arrangements, Vakhid Akhmedov, the first vice-prime minister of Azerbaijan told the correspondent of ASSA-IRADA agency. For example with the Ukraine—on assignment of mutual technical credit, that is in the shape of commodity ensuring amounting to 5 milliard, and with Belarus—for 500 million roubles. They treated Kyrgyzstan for soonest signing of trade and economic agreement.

We brought 12 documents from Minsk, a number of which Azerbaijan will probably sign, such as, on radio navigation, securities, rendering humanitarian help for refugees, mutual ensuring of safety of inter-state secrets, defence of victims of military conflicts, cooperation at extraordinary situations, V. Akhmedov noted. One of such documents, on security of flights of presidents, was already signed in Minsk. Other documents, including that on [the] creation of [an] interstate bank of CIS countries, which gave rise to the most fierce agreements, are passed to commissions of Supreme Soviet of Azerbaijan.

Russian Import Taxes Aggravate Economic Situation

LD2801202093 Moscow Mayak Radio Network in Russian 1200 GMT 23 Jan 93

[Text] Russia's customs policy will aggravate the economic situation in Azerbaijan. Taxes of 65 percent on imported goods, which are being introduced starting on 1 February, will lead to a new price hike in the republic. This was stated by Rauf Karayev, the minister for foreign economic relations of Azerbaijan, when he spoke on republican television last night. If Russia does not alter its decision, Karayev noted, Azerbaijan will have only one way out—to speed up the transition toward a national currency and trade with Russia for currency at world prices.

Elchibey Receives Turkish Ambassador, Tatar Envoy

NC2801164993 Baku TURAN in English 1242 GMT 28 Jan 93

[Text] Baku, 28 Jan (TURAN)—The press-service of the president informs that today Abulfaz Elchibey received the Ambassador Extraordinary and Plenipotentiary of Turkey in Azerbaijan Altan Karamanoglu by his request. There are not information in details. But the TURAN agency was informed that the appeal of Armenia to Turkey to grant electric power was discussed among other questions.

Later the Azeri president received the representatives of Tatarstan in the countries of the Near East and the Transcaucasus Rafael Ilyazov. The question on the opening of the headquarters of representation in Azerbaijan was discussed.

Georgia

Gas Pipeline to Armenia May Be Repaired by 29 Jan

OW2801154093 Moscow INTERFAX in English 1437 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] The gas pipeline in Georgia's Marneulskiy region, which supplies gas to Armenia and which was exploded on the night [of] January 22, is expected to be restored on Friday [29 January], Georgian leader Eduard Shevardnadze told the Georgian parliament on Friday.

He said that in a different situation, the restoration work would have continued for about six weeks. Thanks to Georgian engineers, the work has been done in just seven days, he said.

Shevardnadze also announced that despite a severe energy crisis Georgia has sent Armenia 17 MWs of electric energy.

The Georgian Interior Ministry's press center informed Interfax that the Georgian law-enforcement bodies had detained a non-Georgian resident, suspected of exploding the gas pipeline. The Marneulskiy region is mostly populated by Azeris.

Abkhazians Shell Sukhumi After Government Ultimatum

OW2801154593 Moscow INTERFAX in English 1437 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] The Georgian Defence Ministry's press center reports that several people were wounded during the shelling of Sukhumi by Abkhazians on Wednesday [27 January]. The city was shelled after Georgia announced that if Sukhumi were shelled again humanitarian aid would not reach the besieged city of Tkvarcheli.

According to the conflicting parties, local fighting continues in the Ochamchira region.

UN, Russia, Government Sign Aid Agreement

OW2801173093 Moscow INTERFAX in English 1713 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] A protocol signed on Thursday [28 January] in Sukhumi by the representatives of the U.N., Russian, Georgian, and Abkhazian parties cites that helicopters with the Russian humanitarian aid will head for Tkvarcheli only after a protocol confirming readiness of this city to receive cargoes without any hindrances is adopted.

Tkvarcheli's representatives should present these assurances on Friday [29 January] in Sukhumi where the parties planned to continue negotiations. According to the protocol, the helicopters' flights with humanitarian aid for the city besieged by the Georgian detachments will be resumed the next day after guarantees for an unimpeded unloading are received.

The protocol underlines that humanitarian aid to Tkvarcheli "should not be connected with solving military and other issues."

The necessity to conduct negotiations in Sukhumi on Thursday [28 January] was caused by the refusal of the Tkvarcheli authorities to accept humanitarian cargoes delivered by three Russian helicopters from Sochi on Tuesday [25 January]. Representatives of the authorities declared that the residents of Tkvarcheli will take on the aid in case Georgia liberates crews and passengers of two Russian helicopters kept as hostages. They were detained on January 18 and 19. Zurab Labakhua, deputy chairman of the Abkhazian government, who is being investigated in Tbilisi, is among the hostages.

The Russian helicopters are to deliver 139 tons of food stuffs to Tkvarcheli and to take residents of the city who need evacuation. There are about 3000-5000 such people in the city.

War With Abkhazia Slows During Talks With Russia

PM2701170393 Moscow KOMSOMOLSKAYA PRAVDA in Russian 27 Jan 93 p 1

[N. Mikeladze report: "War in Abkhazia Has Quieted Down With Start of Dialogue Between Moscow and Tbilisi"]

[Text] The latest, third round of Russian-Georgian talks began in Tbilisi yesterday. They are concerned with preparing a basic agreement between the states. The talks were interrupted in mid-December when the Georgian side raised objections to the involvement of the Russian Armed Forces in the Abkhazia conflict. Last month was used by Shevardnadze, as he promised, to search for new partners, but he did not forget Russia. Today the treaty basis for Georgia's relations with, for example, Iran is far sounder than with the former center. With Tehran they talk about the supply of oil to Georgia and the use of Georgian ports on the Black Sea for the transit of petroleum products to Europe. With Moscow they talk about borders and people killed.

In a recent public speech the head of the Georgian state said that the talks with Moscow are so important that he was having to refrain from demanding explanations from Deputy Foreign Minister Boris Pastukhov, who was visiting Tbilisi, over his statements on the need "not just to threaten Georgia but also demonstrate the strength of its fists." Meeting in secret, Pastukhov and Shevardnadze discussed the date and terms of the next round. On Friday a Russian delegation headed by special envoy Feliks Kovalev was met in Tbilisi.

At roughly the same time—around 1500 hours—an attack was carried out on a unit of Russian border troops near the airport. Two Russian soldiers were killed and around 70 assault rifles stolen.

The Russian delegation's reaction was clearly miscalculated. its first response was to postpone the talks. Shevardnadze and Premier Sigua issued strongly worded statements instructing the Ministry of Internal Affairs Prosecutor's Office, the intelligence service, and the Defense Ministry to catch the bandits. The Prosecutor's Office has stated that official Georgian Army formations were not involved in the attack. However, eyewitnesses claim that the 50 attackers arrived in UAZ military vehicles. One way or another, the provocation is obvious.

The very fact of the talks is condemned by a large group of recently formed political parties and movements. The Party of National Independence, the People's Front, the Traditionalists, the League of Citizens, and another couple of dozen political associations are putting objections to the head of state. In their opinion, Shevardnadze should not for the time being sign anything other than the timetable for the withdrawal of Russian troops from Abkhazia, South Ossetia, and then from Georgia too. Parties have not presented such a united front against Shevardnadze since the time of the Gamsakhurdia government.

Meanwhile the war in Abkhazia has quietened down somewhat since the start of dialogue between Moscow and Tbilisi. Observations indicate that the processes here are interlinked.

Beppayev: Russian Troops' Presence 'Inexpedient'

PM2901091193 Moscow IZVESTIYA in Russian 29 Jan 93 Morning Edition p 2

[Besik Urigashvili report: "General Beppayev Believes Russian Troops Should Be Withdrawn From Transcaucasus Immediately"]

[Text] Tbilisi—"Russian Army officers and soldiers in the Transcaucasus are hostages of the current political situation," Lieutenant General Sufian Beppayev, former deputy commander of the Transcaucasus Military District, who is currently under the jurisdiction of the commander of Russia's ground forces but continues to live in Tbilisi, declared at a press conference for Georgian and foreign journalists.

Some 10 percent of the overall strength of Transcaucasus Military District troops still remain in the Transcaucasus today. On the whole they are stationed on Georgian territory, and their numbers do not exceed 15,000. Most

of these units are undermanned and incapable of performing their combat tasks. Expressing his personal opinion, Gen. Beppayev noted that, considering these circumstances, and given the attitude in Georgia toward Russian servicemen, he considers the presence of Russian troops in Georgia and Armenia to be inexpedient.

"It is necessary to disband the group of forces and evacuate personnel. I know the real state of affairs in troop units and subunits, and I am convinced that this is the only solution," the general said. In Beppayev's opinion, if a Russian-Georgian agreement on troops is attained, this agonizing process will become even more drawn out, and it will claim fresh victims, whereas a speedy withdrawal of troops will merely promote an improvement in Russian-Georgian relations.

Gen. Beppayev also declared that "forces standing behind him, as well as certain forces in Georgia" intend to institute a lawsuit against MOSKOVSKIYE NOVOSTI correspondent Akakiy Mikadze for an article he wrote for the newspaper on 20 December of last year. The item, published by this newspaper, claims that the Russian military and the Transcaucasus Military District participated directly in the overthrow of former Georgian President Zviad Gamsakhurdia, and also supplied weapons to rival sides in numerous conflicts in the Transcaucasus. Beppayev described these allegations as absolutely false, and declared that the Russian Army observed neutrality during these conflicts. He also refuted reports by several other correspondents claiming that Russian and Georgian higher military circles are preparing to overthrow Eduard Shevardnadze.

Russian Forces Attacked, Property Stolen by Bandits

PM2901142993 Moscow KRASNAYA ZVEZDA in Russian 29 Jan 93 p 3

[Petr Karapetyan and Sergey Prokopenko report: "Bandits Rampage as Authorities Do Nothing. Situation of Russian Troops in Georgia Deteriorates Again"]

[Text] The bandit attack on Tbilisi which resulted in the deaths of two Russian border guards on the eve of the third round of Russo-Georgian talks nearly disrupted those talks. We have already reported that the Georgian Foreign Ministry's note to the Russian Federation Embassy in Tbilisi assessed what had happened as a barbaric act and promised to take every measure to track down and punish those responsible. This can undoubtedly be viewed as a positive step.

But there has now been another sharp deterioration in the situation at a number of garrisons of the 31st Army Corps of the Group of Russian Forces in the Transcaucasus. Unfortunately, the causes of what has happened are the same as before. Local organs of power are not following up cases of excesses against Russian servicemen. Moreover, in a number of cases representatives of the local administration are exacerbating the situation.

For instance, the view put forward by Mr. Karchava, chairman of the military council for the Imeretinskiy region, that Russia is directly to blame for the Georgian-Abkhazian conflict, is encouraging armed bandit formations to engage in illegal actions.

Thus, the other day an armed gang of eight men staged a holdup of a bus. It was only thanks to the driver's quick thinking that the bandits failed to stop the bus and hijack it. But when, during the shooting, the bandits accidentally hit the driver's comrade, he helped to evacuate the wounded man and, as thanks for this, was... severely beaten up.

The unauthorized posting of guards [vzyatiye pod okhranu] around Russian Defense Ministry units and institutions by Georgian armed formations continues. The 31st Corps command has reported that there have been cases of guards being posted around the equipment and property of a topographical unit, a military hospital, and a sanatorium in Tskhaltubo. And this is accompanied, as a rule by... the theft of whatever is being guarded. Around 600 tonnes of gasoline were stolen when the district fuels and lubricants dump in Mukhiani was under "guard."

A discussion of our troops' legal status in Georgia is currently beginning at Russo-Georgian talks. But any act of legislation (and there are plenty of precedents in Georgia) is doomed to be ineffective if not backed up by concrete measures or if not implemented by the local authorities. So far, we know that under a plan drawn up at the Tbilisi talks, Russian border guards will remain on Georgian territory until 31 December 1994. The question of army units is still open.

Agreement With Russia on Military, Economic Treaties

MK2701100593 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 27 Jan 93 p 2

[Unattributed article: "Georgia Will Not Abandon the Ruble"]

[Text] Armenia will continue to experience a full energy blockade for at least another nine days.

As the Georgian parliament press service reported to us, the gas pipeline was blown up "very expertly." The only thing that could be done right now is to connect Armenia to a local power network that supplied gas to households in Georgia's southern districts.

According to our information, at the ongoing Russian-Georgian talks one of the key issues has been settled—how to sign the treaty. It was decided to sign it as a single package of agreements. This would incorporate military and economic treaties, in particular a treaty defining the

status of the Russian Federation [RF] military in Georgia. The Georgian Foreign Ministry hopes the work will be finalized at the end of this week.

Meanwhile the RF Government has also drafted an agreement on a single monetary system. Georgia will still be using the ruble to make financial settlements. The RF will undertake to maintain cash supplies to the National Bank of Georgia. Interestingly, the agreement specifies that "Russia and Georgia will pledge to maintain the stability of the ruble."

Estonia

President Begins Visit to France; Agreements Signed

LD2701175793 Tallinn Radio Tallinn Network in Estonian 1800 GMT 26 Jan 93

[Excerpts] The official visit of Lennart Meri, president of the Republic of Estonia, to France has begun. Today, Estonian President Lennart Meri and French President Francois Mitterrand signed a treaty on good relations, cooperation, and friendship between the French Republic and the Republic of Estonia at the Elysee Palace.

The treaty signed serves as a continuation of the spirit of friendship and cooperation that reigned from 1918 to 1940 between Estonia and France and will confirm the parties' wish to develop cooperation in all spheres. The treaty's provisions record France's readiness to assist toward the development and strengthening of Estonian and EC relations, as well as France's support to Estonian membership of the Council of Europe.

The treaty envisages regular exchanges of positions on issues of mutual interest as well as meetings at different levels. On the basis of the treaty, links will be developed and strengthened in the future in the sphere of state defense, while taking into account common European security. The treaty concluded will create better conditions for developing economic cooperation, while taking into consideration Estonia's continuing integration into Europe.

For this purpose, conditions for either side's business activity on the other's territory will be improved and support will be given to investments and cooperation in several spheres. [passage omitted]

For all this, the treaty envisages improvements to transport options between the two countries for citizens of either country.

In a separate article, Estonian-French cooperation in the struggle against terrorism, the drug trade, and organized crime are laid down. The treaty is due to be ratified in the parliaments of both countries.

In addition to the Estonian and French presidents, the treaty was also signed by French Prime Minister Pierre Beregovoy and Foreign Ministers Roland Dumas and Trivimi Velliste. [passage omitted]

A separate meeting also took place between Foreign Ministers Trivimi Velliste and Roland Dumas. In the course of their conversation, the subject of Estonia joining the Council of Europe and issues connected with bilateral relations between Estonia and France were discussed. [passage omitted]

Document on Military Cooperation

LD2801195493 Tallinn Radio Tallinn Network in Estonian 1800 GMT 28 Jan 93

[Excerpts] We will begin with the news from Paris. Vladimir Georg Karasev-Orgussaar will sum up President Lennart Meri's visit to France.

[Karasev-Orgussaar] [Passage omitted] Cooperation in the military sphere, too, mentioned for the first time in a French-Estonian joint document, is very important. It is envisaged that relations will be built and contacts and cooperation developed between the defense ministries and army general staffs of both countries. All this is, naturally, with the aim of keeping peace and ensuring security in Europe which also means security for Estonia. Article 6 is also very important for us. I will present it to you in its entirety. I quote:

In case a situation arises—and that first and foremost in Europe—which in the opinion of one of the parties could endanger or violate peace or which might harm the essential security interests of one of the parties, this party may demand from the other that mutual consultations start immediately on this issue. The parties will endeavor to adopt a joint position in respect to resolving the situation and will endeavor to do so within the framework of the CSCE and United Nations.

The treaty naturally envisages cooperation in the spheres of diplomacy, economy, education, and culture, but cooperation in the following spheres is emphasized in particular. First, reorganization of the economy and its management. Second, telecommunications. Third, transport and its infrastructure. Fourth, power engineering. Fifth, agriculture and agricultural industry. Sixth, healthcare. Seven, environmental protection and eight, tourism. [passage omitted]

The treaty has been concluded for 10 years and will be automatically renewed again and again unless one of the parties considers it proper to suspend the validity of the treaty. Of course, the treaty will come into force only 30 days after it is ratified at the respective parliaments and ratification documents are handed over. [passage omitted]

Correction to Report on French Friendship Agreement

OW2701151093

The following correction pertains to the item subheaded "Signs Friendship Agreement," published in the 27 January Central Eurasia DAILY REPORT, page 63:

Column one, last paragraph, make read: One of the articles of the agreement is dedicated to the cooperation between the two countries in combatting terrorism and organized crime.

The agreement is subject to ratification by the French and Estonian parliaments. (supplying dropped passage and paragraph, deleting editorial note)

Latvia

Officials Visit Russian Army Unit To Assess 'Threat'

WS2801130893 Tallinn BNS in English 1900 GMT 27 Jan 93

[Text] Riga, 27 January 1993, BNS—Latvian officials and defense ministry experts arrived in Dobele, about 70 km west of the capital Riga, Tuesday [26 January] to determine whether a motorized infantry brigade of Russian troops posed a threat to Latvia's independence, reported the Latvian news agency DIENA.

The Latvian Defense Ministry says the brigade poses a constant threat to the country's security. Commanders of Russian troops in Latvia have described these allegations as "ungrounded."

Russian army chiefs, however, are still refusing to reveal the size of the brigade and the contingent of Russian troops in Latvia, said DIENA.

Earlier, Russian military leadership asked the Latvian authorities to send a limited number of soldiers to Dobele to help withdraw troops from the region.

Russian army general Nikolay Tailakov, who is in charge of troops withdrawal from Latvia, told journalists on Tuesday that "the 25th brigade is not posing any threats to the republic's security and it is not carrying out any strategic tasks."

Tailakov was quoted by DIENA as calling the brigade "a paper tiger that his colleague Upmalis sees in his dreams every day."

Official Notes Problems in Russian Trade Talks

LD2801214293 Riga Radio Riga Network in Latvian 1400 GMT 28 Jan 93

[Text] Russia's position on solving economic issues is still greatly related to political aspects, said Andrejs Runcis, first deputy minister of foreign trade, after returning from another trip to Moscow.

Arriving for talks on the draft agreement on Latvian-Russian trade for 1993, the Latvian delegation once again had to listen to a slight reproach without specific facts. In addition, our delegation was astonished that the officials of the Russian Finance Ministry were not informed about several issues, such as the protocol of intent that was signed providing for the founding of the shareholding company (?Latsam) for the use of oil pipelines.

The Russian parliament has also not yet ratified the agreement between the Latvian and Russian Governments of 28 October 1992 on the principles of economic and trading relations; thus, trade with Russia is determined for us without any trading timetable, and Latvian goods exported to Russia are subject to twice the normal import duty rate.

Moscow Envoy to Lithuania Interviewed on Relations

WS2801133593 Riga BALTIYSKAYA GAZETA in Russian Jan 93 No. 1 pp 1, 2

[Interview with Nikolay Obertyshev, Russia's ambassador extraordinary and plenipotentiary to Lithuania, by correspondent Tatyana Yasinskaya: "Party Soldiers Are Gone, But Foreign Ministry Soldiers Remain"; place and date not given—first paragraph is newspaper introduction]

[Text] At long last, the Russian Embassy has been opened in Lithuania. Almost a year has passed since the establishment of diplomatic relations.

[Yasinskaya] Nikolay Mikhailovich, are the priorities of Russia's foreign policy in the new foreign countries clear enough?

[Obertyshev] I would not say that there is no concept at all but the current one is insufficient. Our goal here (despite the fact that an embassy is primarily a political office) is to preserve the existing economic relations and to restore the lost contacts.

[Yasinskaya] In this case, I am taking you at your word and specifying this aspect of your activities: is there any hope that, let us say, large and mainly "Russian speaking" industrial enterprises in Lithuania, which were orientated toward the all-union Military-Political Complex, can start functioning within the framework of the Russian state conversion program?

[Obertyshev] Something is already being done in this respect, but not as quickly as we would like it to happen. I know one former "post office box" [pochtoviy yashchik] in Kaunas which has nearly found a way out of this situation together with its Russian partners—it has started producing blood pressure meters involving almost all former partners: Ukraine, Belarus, and even Japan. Everything depends on private enterprise. In general, the formation of the concept of economic cooperation has just begun.

[Yasinskaya] Do you have any idea of the number of potential Russian citizens living in Lithuania?

[Obertyshev] I was given an approximate number of 2,000. To be honest, I do not understand how this figure was calculated.

[Yasinskaya] There is also a small number of people who came to Lithuania by free exchange in 1990, 1991, and the first half of 1992. Today, most of these people, by the way, have found themselves deprived of both the "zero" option Lithuanian citizenship and Russian citizenship due to Russian sluggishness. Their right to the free choice of a permanent place of residence has severely cost them: they cannot privatize their apartments, while their dwellings in Russia are being privatized by their exchange partners. They are deprived of Russian vouchers, while the distribution of Lithuanian privatization checks was over long ago. What have both "high

contracting parties" punished them for? For the "hunt for new places of residence"?

[Obertyshev] Apparently they will not receive any vouchers because this process ended in Russia by the end of last year. Although I inquired about this to a number of Russian officials, I received no response. I have been told more than once: the issue of acquiring Russian vouchers in foreign countries is still open. When will it be over, I am asking you? Even servicemen will not get any vouchers, and they in principle cannot become Lithuanian citizens because they are temporarily residing on foreign territory according to the law.

[Yasinskaya] Will a new Russian passport grant them the right to education in Russia? Will there be any quotas for young Russians from the new foreign countries?

[Obertyshev] I suppose, I can speak only about the CIS states. A joint agreement provides for the right to education for all inhabitants of these states. I cannot say so far how this will be implemented.

[Yasinskaya] Could the embassy that you are in charge of deal with this issue which is so urgent for many families?

[Obertyshev] We must know the actual facts of this issue. As for Lithuania, I doubt that there is a possibility of Russian citizens going to Russia and other CIS countries and entering their higher educational establishments.

[Yasinskaya] Why?

[Obertyshev] Because everything is changing here: you may have one thing today and something completely different tomorrow. But if someone appeals to us with regard to a particular higher school and particular studies, we will try to help that person. These days, it is almost impossible to adopt any global decisions, but sometimes we succeed in settling a particular problem.

[Yasinskaya] I am sorry that my next question is a global one. The sudden collapse of the Soviet Union has left a mass of Russian cultural and historical values outside Russia, which cannot be measured only in terms of the Soviet Army property. I mean valuables from museums and archives, Russian cultural centers—theaters, musical companies, and even separate soloists, museum collections (for example, even the compulsory post-wars donations of splendid collections of Russian paintings), libraries, and other book funds. Were you charged with the task of taking at least moral, if not material care of this integral part of Russian history and culture when you were preparing to leave for Lithuania?

[Obertyshev] The state seems to be planning such care. I have not received any concrete tasks or instructions. The duty of every embassy, no matter where it is situated, is, I would not say "supervision" of cultural values belonging to Russia, but something similar to it.

[Yasinskaya] Could you not come up with the initiative of particular Russian measures, including agreements between the governments and state offices? If there are no possibilities for restoring certain architectural monuments, we will keep our mouths shut for the time being. Actually so little is needed to preserve Russian libraries and let our children read Russian books—only the prime minister's signature permitting the export, let us say, of Russian books without the exorbitant 28 percent duty. Let us add the price of our super expensive transport to this, and an ordinary children's book will become invaluable. You see, such books are not published in Lithuania.

Here is another example. If Russia assisted with the reconstruction of the Russian Drama Theater in Vilnius, it might not occur to anybody later that it could house something else. Russia would have an excellent cultural hub in the very center of the Lithuanian capital—a place for gatherings, talks, guest performances, and exhibitions. The Lithuanian Ministry of Culture, by the way, does not object to Russia's participation in this matter and is ready to work out an intergovernment agreement.

[Obertyshev] Thank you for prompting me. At present I am collecting similar facts from the press, conversations with people, and my personal observations.

[Yasinskaya] Newly adopted laws in both countries do not promote our ethnic features and needs—let us say, of Lithuanians in Russia or of Russians in Lithuania—but simply our human and citizens' rights, as a rule. For example, how much does our inability to reach an agreement on the normal functioning of mail services cost the people? It is true that almost everyone now has relatives "abroad". One can neither take care of them, nor send a parcel, some money, or simply a box of chocolates for their birthday! We are being humiliated as decent people, accustomed to remembering and helping each other.

[Obertyshev] I agree with you. The time has come to implement a universal rule: not the man for the state, but the state for the man. This simple idea is very often not expressed in our weighty and even well-grounded statements and other documents concerning the withdrawal of troops from the Baltics, Germany, Hungary, Poland, Czechoslovakia, and other countries. The social aspect of this issue—the human rights aspect—is often ignored.

[Yasinskaya] Last fall, Vytautas Landsbergis proposed on behalf of the Lithuanian Government and legislature to circulate a special detailed questionnaire among Russian servicemen on their current social conditions and the ones expected after the withdrawal: what they own in Lithuania, what they would like to possess after they leave it, etc. Lithuania promised to take all wishes into account and to participate in the construction of housing in Russia, but the Russian commanders of those days categorically banned the questionnaire. In general, its discussion was rejected in the negotiations.

[Obertyshev] Well, it could happen so that... Today, this does not change the fact that servicemen and their families are practically turned out to empty fields with only tents standing there. I have seen this in a film. That

is why Yeltsin's resolution was issued, suspending the withdrawal but not abolishing it.

[Yasinskaya] Even this resolution does not mention any social guarantees for servicemen and their families.

[Obertyshev] True, this aspect does not show through in the resolution, and the most elementary human rights are being violated.

[Yasinskaya] Nikolay Mikhailovich, when discussing Army property, do you not take into account the possibility of dealing with this issue in an untraditional manner? The military owns not only strategic bases but also culture houses, hospitals, repair workshops, and housing. Local Russians have time and again suggested that these facilities could become a material basis for the Russian community remaining beyond Russia's borders. Recently, an excellent proposal has been made, in my opinion: having deprived all new foreign countries of its vouchers, why doesn't Russia leave part of its Army property to Russian citizens residing here as a share of its privatized state property?

[Obertyshev] This issue is being considered, and I hope that the solution will be positive—concerning the Officers Club and hospital in Vilnius and the hospital in Kaunas. As regards the property of the Russian Army in Lithuania, it is being estimated at 9 million rubles, while Lithuania's demands for compensation amount to 146 billion.

[Yasinskaya] Could not the Lithuanian side just be better with numbers?

[Obertyshev] It is quite possible. Russian investments have also been numerous, but Lithuania has unilaterally declared the remaining Army property—houses, workshops, and other facilities—to be its own. Should we declare it ours now? Certainly, the figures presented by Lithuania are impressive. To sum up, there is no end of work to be done.

[Yasinskaya] Then I wish you every success, Mr. Ambassador!

Cooperation With Russia in Auto Industry Offered

OW2801173693 Moscow BALTFAX in English 1643 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] The Latvian Cabinet offered the Russian government a contract for supplying RAF vans to Russia. This proposal was described in a letter, sent by Director-General of the RAF production amalgamation Nikolay Samodurov, to Russia's First Vice-Premier Vladimir Shumeiko.

The Latvian Cabinet also proposed abolishing the 30% customs duty on Russian components and raw materials, used in manufacturing RAF vans. Latvia also proposes placing an order with 200 Russian enterprises manufacturing components, spare parts and raw materials.

Latvian experts believe that Russia may accept Latvian proposals because the demand in RAF vans is great. Seventy per cent of the 10,000 vans, annually produced in Riga, are exported to Russia. The biggest buyers of RAF vans are the ministries of transportation, public health and internal affairs. Experts also point to the fact that Russians account for 85 per cent of the RAF amalgamation's personnel.

In his letter to Shumeyko, Samodurov proposed setting up a Russian-Latvian enterprise for the production of a new model of RAF vans, designed jointly with the British company JAD. According to his plan, the greater part of the output might be supplied to Russia and to the CIS states.

German Accord on Maritime Cooperation Signed

LD2901000193 Riga Radio Riga Network in Russian 2100 GMT 28 Jan 93

[Text] A Latvian-German agreement on cooperation between the two countries in the sphere of navigation was initialled today at the Ministry of Maritime Affaires in Riga. The agreement itself will be signed in the spring of this year on behalf of the governments of the two countries during a visit to the Latvian capital by the German minister of transport, said the director of the foreign relations department of the Ministry of Maritime Affairs of Latvia, (Imants Sarnis).

Wide cooperation is envisaged in the agreement, from the freedom of navigation to the most favored nation status in conveyance of export and import goods by sea between Latvia and Germany, as well as transit conveyance of cargoes through territories of the two states. The resumption of ship traffic on the Riga-Rostock-Riga line, joint work aimed at widening technical links, and exchange of information are in the program of cooperation, emphasized (Imants Sarnis).

Lithuania

Presidential Candidates Hold Televised Debate

OW2801184093 Moscow INTERFAX in English 1817 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] On Wednesday [27 January] evening in a direct transmission citizens of the republic for the first time could observe the first round [as received] of TV debates by the Lithuanian presidential candidates - Algirdas Brazauskas and Stasys Lozoraitis. An Interfax correspondent in Vilnius reports that the hopes of television viewers to watch sharp topics or listen to some spicy details was not realized. The discussion was calm, deeply business like, and the aspirants were exceptionally polite and mutually respectful. Besides, their views on many problems on which the discussion was about, were different only in nuances.

Answering the request of the director of the program, the general director of Lithuanian television and radio, Laimonas Tapinas, to mention the basic mistakes that led to the current situation in the economy Lozoraitis said "too many mistakes were made." Therefore now, he stressed, "the economic situation was dramatic." The attention is that the future of the republic be delivered from stagnation and to "courageously and decisively go forward."

It is Brazauskas" opinion that "mistakes must be seen, assessed and escaped." He considers that the most painful mistakes were committed in the reconstruction of the economy. The acting president said that in order to scramble out of the economic crisis and restore the level of production, it is necessary, in the first place, to rely on our strength, establish business contacts and create the conditions for the attraction of foreign capital.

According to Lozoraitis "the halted wheel of the economy" must be pushed. He said Lithuania would have been able to negotiate the supply of fuel from other countries, if a new oil terminal had been built in the republic instead of the endless discussion as to where to locate it. Concerning the problem of agriculture, Lozoraitis expressed the opinion that for its development, rural residents must first be asked, and then allowed to choose the method of implementation.

There are only very slight differences in the opinions of the candidates on economic, financial and social problems - on the whole they simply complemented and developed each others ideas rather than discussed.

Concerning a more actual problem, Brazauskas expressed the opinion that "the ownership of land must be restored, but most importantly, land must be used so as to be productive." Along with large objects advantageous to the economy there must be small enterprises and entrepreneurship, the development of which must be supported by a rational tax system".

Brazauskas emphasized that Lithuania is late by one and a half years in the introduction of its own permanent national currency. To check the rate of unemployment he considers as important the principle of more effective use of already existing jobs and providing enterprises with raw materials and energy resources. The candidate also emphasized the necessity of reducing the charges for communal services, electricity and heating.

Lozoraitis, in his turn, declared the possibility of an earlier introduction of a national currency - the litas, however he noted that being in an "economic upset," to introduce it would be a risk. Lozoraitis suggests that unemployment can be dealt with by the creation of new jobs, maximal use of the "entrepreneurial nerve" of the people, opening channels for credits and reducing the number of ministries. Lozoraitis also called for the reduction of taxes.

IF [INTERFAX] Note: The TV debate was the first [as received] of three one and a half hour programs planned before the presidential elections scheduled for 14 February. At the moment the candidates are meeting with the electorate. Lozoraitis has already met with residents of the towns of Klaipedi and surrounding districts of the Baltic shores. Brazauskas on Tuesday will meet with students and staff of the Vilnius University and the day before he will visit the group of Vilnius factories, "Vingis."

'Brief' Summary of Debate

LD2801175793 Vilnius Radio Vilnius Network in Russian 1300 GMT 28 Jan 93

[Text] [Acting President] Algirdas Brazauskas [of the Democratic Labor Party] and Stasys Lozoraitis [ambassador to the United States] met yesterday for the second presidential debate during a television broadcast. For almost one and a half hours, they replied to questions by the general director of Lithuanian Radio and TV, Laimonas Tapinas.

Today ELTA issued a brief summary of this dialogue watched by the whole of Lithuania.

To a question of why Lithuania is in such a complex economic situation, Stasys Lozoraitis replied that mistakes should be analyzed later, and now let us forget the past and toil seriously, otherwise we will get involved in endless disputes. Algirdas Brazauskas replied that the main reason was an especially unsuccessful agrarian reform.

How do we overcome economic depression? According to Lozoraitis, by starting to work hard [words indistinct]. His opponent replied that it was essential to restore the level of production that existed two years ago, attract foreign capital, and help the countryside through every means possible.

He was asked: If you are elected, how will you continue agrarian reform? Will you return land and help agricultural communities?

Stasys Lozoraitis replied: The president does not do reforms. He may ask the parliamentary majority to help the countryside; he may consult people and look for an answer with them. Algirdas Brazauskas thinks that ownership must be returned, but if land is not tilled, compensation must be paid for it. He was for varied forms of ownership.

How can you help the average businessmen? In the opinion of Algirdas Brazauskas, they are hampered by the tax system, which does not encourage production. Stasys Lozoraitis thinks that the bank credit rates are too high.

How do we bridle inflation? The opinion of Stasys Lozoraitis is: Soon, but not tomorrow, we must introduce our own currency. We must do this and develop production and exports. Brazauskas replied that a beginning has been made to control this process by introducing coupons, but it is essential to control the supply of coupons. Why have there been no litas so far? Stasys Lozoraitis replied: We are in too deep of an economic depression and cannot take a risk with the future of the national currency by introducing the currency now.

Brazauskas replied: We are one or one and a half years late with the introduction of the litas. If we succeed in stabilizing the economy next summer, then we will think about the introduction of the litas.

What should be done so that unemployment does not reach a critical stage? Make use of all present places of work, said Brazauskas. Stasys Lozoraitis agreed, but noted it was essential to create new places of work, too. Foreign capital is needed for this purpose.

To a question about what the Lithuanian ambassador in Washington has accomplished in attracting foreign investment, Stasys Lozoraitis replied: There have been proposals by foreign firms to purchase the Jonava Azotas factory, operate the Siauliai airfield, and pump Lithuanian oil, but all these proposals have become bogged down on the burenucrats' desks.

Is it necessary to increase wages and where do we obtain money? Brazauskas considers that this can be done only by increasing the budget revenue, if industry is stabilized. It is necessary to revise pensions and introduce their differentiation. Lozoraitis thinks that if we reduce taxes, employers will be more honest in paying taxes and the budget revenue will increase.

Candidate Brazauskas' Campaign Platform Published

OW2801170393 Moscow BALTFAX in English 1641 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] Algirdas Brazauskas, candidate to the presidential office in Lithuania, has made public his campaign platform which was carried by Lithuania's "Tiesa" daily paper. Lithuania's politicized economic system ought to be replaced by a balanced and realistic economic policy, the candidate's platform reads.

Mr Brazauskas is announcing his intention to introduce corrections not only into the process of implementation of the reforms in the republic, but into the legislation regulating it as well.

His program envisages the following main objectives of the reform: straightforward privatization, use of economic and financial control leverage, adoption of an updated tax system encouraging production and entrepreneurship, and introduction of the republic's own currency.

The foreign policy outlined by Brazauskas will be "pragmatic, aimed at protecting state interests and promoting peaceful coexistence with all of its neighboring states." "Lithuania is not an adversary to any country, nor does it have any territorial claims," the document says.

Mr Brazauskas' platform also says that it would be vitally important for Lithuania to become efficiently integrated into the European Community and join the European Council in the near future. The Lithuanian Republic will continue its active cooperation with the United Nations, Conference for Security and Cooperation in Europe, North-Atlantic Assembly and other international organizations, the Lithuanian presidential candidate says.

Brazauskas Ahead of Lozoraitis in Vilnius Opinion Poll

LD2801212993 Vilnius Radio Vilnius in English 2000 GMT 28 Jan 93

[Text] In the presidential election on 14 February, 51 percent of Vilnius residents are going to cast their votes for the leader of the Democratic Labor Party and acting President, Algirdas Brazauskas. His rival, Lithuania's ambassador to the United States, Mr. Stasys Lozoraitis, should get 27 percent of votes in the Lithuanian capital.

These data were received in the latest public opinion poll conducted by the Gallup Institute. Five hundred and fifty residents of Vilnius were interviewed by (?phone) on 23-24 January; 91 percent of Vilniusites are going to come to the polls on 14 February; 3 percent will not take part in the elections, and the rest are undecided. The Polish population of Vilnius seems to be the most (?active); 97 percent intend to turn out at the polls. The figures for the Russian and Lithuanian residents of Vilnius are 90 percent and [figure indistinct] respectively.

Over 2.5 Million Voters To Take Part in Election

OW2801180793 Moscow BALTFAX in English 1642 GMT 28 Jan 93

[Following item transmitted via KYODO]

[Text] According to the information released by the computer center of the Lithuanian Ministry of Economics, there are 2,654,539 eligible voters in the republic who may take part in the presidential elections on February 14.

The experts have assessed that the actual share of the voters will comprise 70-75% or 1.8-2 million people. Each candidate needs to collect over 50% or about a million votes to win the elections.

If the percent of voters at the polling stations will be below 50%, the candidate would need the majority of voters, but not less than 30% of the total number of the eligible electors, to win the campaign.